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# **Standing Committee on Government Operations and Estimates**

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**EVIDENCE**

**Thursday, December 9, 2010**

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**Chair**

**The Honourable John McKay**



## Standing Committee on Government Operations and Estimates

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• (0830)

[English]

**The Chair (Hon. John McKay (Scarborough—Guildwood, Lib.)):** Ladies and gentlemen, let's bring this meeting to order. This is the 43rd meeting of the Standing Committee on Government Operations and Estimates.

We have with us Minister Cannon and Minister Strahl. They will, in turn, introduce their delegations.

Both of you have been before this committee and others before, and you may have an opening statement. I call on either minister to have an opening statement, in whatever order they wish.

**Hon. Chuck Strahl (Minister of Transport, Infrastructure and Communities):** Thank you, Mr. Chairman.

It's a delight to be here.

[Translation]

Thank you.

Thanks as well to committee members.

[English]

We're pleased to be here today to speak to the Government of Canada's G-8 legacy fund.

Joining me today from Infrastructure Canada are Yaprak Baltacioglu, deputy minister of Transport, Infrastructure and Communities, and John Forster, associate deputy minister of Infrastructure Canada.

I'll allow Minister Cannon to introduce his folks as well.

On June 25 and 26 Canada was proud to host the G-8 summit in the Muskoka region. This was Canada's fifth time hosting a summit since joining the original G-7 in 1976. The G-8 brings together the heads of state, senior dignitaries, and countless delegates from the world's leading nations, and for many this was their first chance to visit the beautiful Muskoka region.

In preparation for Canada's hosting role and to help set the stage for such a high-level event, the \$50 million G-8 legacy fund was established in Budget 2009 for projects in the region.

[Translation]

The investments made, in view of the G8 infrastructure funds, made it possible to prepare for the summit to be held in the region, in addition to promoting it to the international media and visitors.

[English]

In total, 32 projects worth just over \$45.7 million were funded throughout the region, including the G-8 centre in Huntsville, local road improvements, and upgrades to the North Bay airport. But the purpose of the fund was not only to support Canada's hosting role; it was, from the beginning, intended to leave a legacy to the people of the region, as is traditionally the case when Canada hosts such high-profile international events.

To ensure that they were ready to host the world, and as compensation for the inconvenience to the region, 16 municipalities received funding to help improve their local roads and tourist attractions and to beautify their streets and communities. These municipalities worked hard to ensure that these projects were completed within the very tight timelines required by the fund.

[Translation]

Every project was completed on time for the June summit. Our municipal partners in the region can be proud of the results of their efforts.

[English]

Our investments through the G-8 legacy fund are consistent with those made in advance of Canada's hosting of past international meetings, such as the 2002 G-8 summit in Kananaskis; the 1997 APEC summit in Vancouver, where \$60 million was spent on infrastructure projects in a forest research centre and chair at the University of British Columbia; and the 1995 G-7 summit in Halifax, where over \$8 million was invested in beautification projects throughout the city and to the iconic Halifax waterfront.

Projects were provided throughout the area to better showcase one of the most beautiful regions of Canada and to provide a legacy to the area for hosting the G-8 summit. And now residents across the region are benefiting from the improved recreational facilities, better roads, enhanced tourism opportunities, and so on.

• (0835)

[Translation]

Thank you. I will be pleased to answer your questions.

Mr. Cannon, perhaps you have a word for the committee as well.

[English]

**The Chair:** Thank you, Minister Strahl.

Minister Cannon.

**Hon. Lawrence Cannon (Minister of Foreign Affairs):** Good morning, Chair. Thank you for inviting me here to discuss Canada's G-8 and G-20 summits that were held in June.

This will come as no surprise to you that we consider 2010 to be Canada's international year. Hosting a meeting of the world's top political leaders is a huge undertaking and an activity that is extraordinary to any regular government operations. The host must shepherd the process of setting an agenda, must ensure all delegates will be housed and fed when they arrive, that media will be able to cover the event, and, most importantly, that all who participate are safe and secure.

Every foreign leader comes with a large group of delegates. While they are responsible for their own accommodation expenses, we nonetheless must plan for this massive influx of people and ensure the seamless delivery of two important international events.

In the House I have repeatedly heard opposition members minimize the significance of G-8 and G-20 summits, calling them a two-day event. As Minister of Foreign Affairs, I take issue with that claim because it does not even begin to describe the full scope of what we accomplished.

Indeed, our work began as far back as 2008, when we began laying the groundwork for our highly successful events. To develop the final summits' agenda, from December 2009 to June 2010 the Department of Foreign Affairs summits management office organized 29 preparatory meetings across Canada for officials from G-8 and G-20 countries, including three ministerial meetings.

[Translation]

Our government spearheaded and hosted the ministerial preparatory conference on Haiti in Montreal, which was put together less than two weeks after Haiti's devastating earthquake in January.

I called upon our Summits Management Office to organize this meeting, and my officials rose to the challenge admirably and delivered a flawless meeting.

In addition to the G8 and G20 leaders' summits, Canada played host to two other major international events. As soon as the G8 Summit ended, Summits Management officials turned to supporting the B20 Business Leaders' Summit which was hosted by the Honourable John Manley of the Canadian Council of Chief Executives in Toronto in the hours before the G20 Summit began.

[English]

Meanwhile the official youth summit, known as My Summit 2010, started two days ahead of the G-8 summit and lasted through to the end of the G-20 summit, with activities in Muskoka as well as in Toronto. University-level delegates from around the world observed the summit process, engaged in their own summit on themes of global importance, and met senior officials, leaders, and other dignitaries. More than 150 future global leaders came to Canada for this youth summit, and we obviously fed them as well as housed them throughout their stay.

[Translation]

Canada also distinguished itself through spearheading the Maternal, Newborn, and Child Health Initiative with a \$2.8 billion

contribution over five years to make significant and tangible differences in the lives of the world's most vulnerable people.

[English]

In total, we hosted four summits. By hosting these summits the weekend of June 25, 26, and 27, the summit management office used the same airport and the same international media centre. Most notably, we used the same core planning staff of about 200 people in the lead-up, and around 600 joined the actual summits themselves.

We must also consider the scope of our outreach and leadership. Canada invited more than 30 delegations beyond those already in the G-8 and the G-20, welcoming new voices to the table. Close to 5,000 officials and over 3,700 media applied for accreditation.

In closing, colleagues, I would like to reiterate once again that hosting summits such as these is extraordinary to any government's daily operations, but Canada met the challenge and fulfilled the responsibility that comes with global leadership. We have been fully transparent in the disclosure of the costs of these duties to a degree never seen before, not in Canada, nor among any other international hosts of such summits.

Thank you.

• (0840)

[Translation]

**The Chair:** Thank you, Minister.

Mr. Valeriotte will have the floor for the first eight minutes.

[English]

**Mr. Francis Valeriotte (Guelph, Lib.):** Thank you, Ministers and staff, for attending this morning. It's appreciated.

Clearly, you're unapologetic, Minister Cannon, for the spending at this G-8/G-20 summit. Canadians understand that money needs to be spent for these summits. On behalf of Canadians, I would say, though, that we don't have the appetite for this kind of spending that clearly you do.

On May 31, 2010, the previous transport minister said, "...I can say very directly that at the Hokkaido summit held in Japan, the security costs were in excess of \$1.5 billion."

The day after, his colleague, the member from Brant, said, "The one example that I would point out to the hon. member is, in Japan, when it hosted the G8, the costs were \$1.7 billion just to hold the G8 in Japan."

Now, that's \$200 million more than what Minister Baird said earlier.

If you look at the Munk institute report from the Munk School for Global Affairs, it recites the cost of the Japan G-8 conference at \$559 million, far, far less, exponentially less, than what was said by either of your colleagues in the House.

I'm wondering, Minister, how you can explain the difference between what was actually spent and what was reported by your colleagues in the House as to what was spent in Japan and why they would engage in that kind of hyperbole.

**Hon. Lawrence Cannon:** Well, colleague, what I can say is that as a minister of the crown and responsible for the budgets that are assigned to my department, we indeed had \$180-some-odd million that were set aside for the operations that DFAIT undertakes. You'll see in the numbers—and maybe we can go into that in a couple of minutes, if you wish to do so—that we believe we will probably end up somewhere in the vicinity of between \$140 million and \$150 million for hosting two summits in two different locations.

All in all, my responsibility is to be able to respond for the expenses that have been undertaken under that perspective.

Now, before cutting me off—

**Mr. Francis Valeriote:** You can't explain the reason for the hyperbole in the House, then. I'll move on to my next question, Mr. Minister.

My next question is for the transport minister.

On July 5, 2010, Moneris Solutions, the biggest debt and credit card processor in the country, looked at three Toronto areas and compared same-store credit retail spending data to the previous weekend. Among its findings were: retail sales fell 28% within the security perimeter, restaurants suffered losses to the tune of 66.59% within the security perimeter, retail sales in the surrounding downtown core fell 10.78%, and restaurants alone saw losses of 32.7%. This is in the downtown core outside the security perimeter.

My question to the minister is this. Did you forecast these losses, and did you compare these losses to what they would have been had you located the G-20 at a location more isolated and secure, namely at, for instance, Exhibition Place, which had been recommended to you?

**Hon. Lawrence Cannon:** I'll take that question because it seems to me that you're talking about *ex gratia* payments, colleague. Let me summarize for you what has been received up to date.

Just over 400 claims for both summits have been received, totalling \$11.6 million; 43 claims have been completed and another 54 are in the final stage of assessment. Of note, up to September, about 200 claims were received between mid-September and November 18, which is the deadline. Another 200 claims were received. As I have mentioned in the House, there is a compensation policy in place. It's exactly the same policy, colleague, that has been used by previous governments for past summits. The eligibility period of the security perimeter and of course the external affected areas was finalized in mid-August, following close consultations between the summit management office and the appropriate security authorities, as well as the Toronto city officials. And the information, of course, was posted on the G-8 and the G-20 websites.

● (0845)

**Mr. Francis Valeriote:** Mr. Cannon, I'm curious, though, because this is after the fact. Did you forecast these kinds of losses being incurred? In anticipating these losses that would ultimately be claimed against the government, did you not say, maybe it might be a better idea to hold this summit at a different location, where these costs would be minimized?

**Hon. Lawrence Cannon:** No, we had budgeted for them, and I'll let my colleague respond on the security reasons, because he wants to add to that.

But in terms of the *ex gratia* payments—the basis for them—they were budgeted, colleague. It is in the numbers, and if you want to go into the numbers, we can give them to you later.

The reason the summit was held where it was held was for security purposes. My colleague can add to that.

**Hon. Chuck Strahl:** To address your earlier comments about the costs and/or benefits to Toronto, the CEO of the Greater Toronto Hotel Association said that it was probably the single largest event in a decade, in terms of booking. He actually stated, "This is our economic stimulus package."

The University of Toronto, in its G-8 and G-20 research groups, studied the economic impact of the G-8 and G-20 summits on Toronto. Their conclusion was that the G-20 would generate about \$100 million in economic activity for Toronto, and their official estimate on the G-8 side was that it would be about a \$300 million benefit to the region. The other number I had was that according to Tourism Toronto, the summit was expected to generate some \$53 million in direct spending by delegates in the area, on everything from food to entertainment, you name it. That's how the Tourism Toronto folks saw it. So overall, it was a net benefit to Toronto.

**Mr. Francis Valeriote:** Thank you, Minister.

**The Chair:** Ms. Coady.

**Ms. Siobhan Coady (St. John's South—Mount Pearl, Lib.):** Thank you.

I really appreciate your being here this morning.

I have one quick question, and I only have a minute left, so you'll appreciate that it's going to have to be quick. Actually, it's half a minute left.

I'm curious why you bought so many zipper pulls and gift pens, and all the items you purchased. They added up to be hundreds of thousands of dollars. You've just come back, of course, from another summit. I'm sure you don't have any of those little zipper pulls, which might have been given out at that particular summit.

What was the decision-making authority for purchasing those small items, which added up to a very large cost, especially at a summit that was about austerity and fiscal management? I'm at a loss.

**The Chair:** Be very, very brief.

**Hon. Lawrence Cannon:** Well, very briefly, colleague, it's unfortunate that you missed my opening remarks, but in them I indicated to my colleagues who were here that we indeed did host the world and that we did indeed—contrary to opposition claims that this summit was only held for two days—host a number of events around that, whose preparations had been ongoing since 2008.

But above and beyond all of that, one of the events we held was the youth summit on the margins of the summit in Toronto, as well as the one in Muskoka. As is the custom wherever you go in the world to such gatherings, there are promotional events held and promotional things given. In this case, particularly for the youth summit, I understand that what you mentioned was one of the promotional things left with the delegates who had come.

**The Chair:** Thank you, Minister.

● (0850)

[Translation]

Ms. Bourgeois, you have the floor for eight minutes.

**Ms. Diane Bourgeois (Terrebonne—Blainville, BQ):** Thank you, Mr. Chairman.

Good morning, ministers.

Good morning to you as well, ladies and gentlemen officials.

Ministers, I appreciate the fact that you have come here this morning. I nevertheless want to tell you that I am somewhat disappointed—it's not that I didn't want to see you—because the person who would have been in the best position to answer our specific questions is the Minister of Industry. The officials who have come to see us in previous weeks have told us that the Minister of Transport at the time and the current Minister of Industry, who was also Minister of Industry then, made the decision to favour one region over others to hold the G8. I'm nevertheless going to ask you these questions, knowing that you may have been briefed before coming here.

I will speak first to the Minister of Transport. When you decide to hold a summit in a specific region, such as the one you held in Huntsville, you two ministers decide. In this instance, you two ministers decided this time.

How was that location chosen? Don't you think that, since that place was located in the constituency of the Minister of Industry, the Minister of Industry was being put in a conflict of interest?

[English]

**Hon. Chuck Strahl:** Of course, the decision to hold the G-8 summit specifically—I think it's important to remember that these things, although they were sequential, were two different events, and the G-8 conference in the Muskoka area was chosen first. At that time it was thought that would be the big event.

The decision to move ahead with the G-8 in Muskoka was of course a government decision. A panel of public servants travelled to

a variety of sites across Canada to see what would be the best of the sites. Huntsville was recommended as the number one site from several others that were also considered. But in the end it's a Government of Canada decision; it's not left to any one minister. The government, based on recommendations that came to it from public servants, decided to proceed with the Muskoka site. It turned out to be the right decision. It was a very successful summit. But no one minister makes decisions like that.

It's interesting to me that leading up to the summit, and well in advance, even the leader of the opposition was talking about how he also supported the site, he thought it should take place there, and he thought it would be very good. He was right. It did turn out to be a good summit in a good location.

[Translation]

**Ms. Diane Bourgeois:** Minister, I understand why a party leader might say that could be a good location. But I think there's still a problem: it was in the constituency of the Minister of Industry and nearly \$50 million was spent there, \$43.7 million more specifically, for a heritage moment. That's where I believe there's a problem.

Was the Minister of Industry of the time, who is still minister today, party to that decision? What hat was he wearing? The minister's hat or the member's hat?

**Hon. Lawrence Cannon:** With your permission, Madam, I'm going to try to answer your question. My colleague indicated how the process took place.

First, in 2008, a number of officials from several departments—the Department of Foreign Affairs, the Department of Public Safety, the Department of Public Works and Government Services, the Department of National Defence, and so on—met. After visiting a number of sites—I believe they visited five—they made a recommendation to the government. It was the same thing as, for example, when the constituency of our colleague, Mr. Laframboise, whose riding is adjacent to mine, was selected. The meeting of the heads of government and heads of state of North America was held in Montebello a few years ago. These are recommendations made by the government. That's how we come to these conclusions.

● (0855)

**Ms. Diane Bourgeois:** In that region, \$43.7 million was spent for a heritage moment. I have no objection to that heritage moment as such; I understand that you have to compensate the region and the people who live around there for the discomfort, insecurity, etc. However, \$43.7 million is a lot of money, at a time when we're asking people to tighten their belts. Look at the context of 2008-2009, and you know that economic troubles were coming; money was invested in towns mostly located more than 35 km or 45 km away from Huntsville. Explain that to me.

[English]

**Hon. Chuck Strahl:** Yes, certainly. It is true that the entire Muskoka area benefited from the event, but that was the objective going in. The parameters in terms and conditions that were put on the funds that were allocated, up to \$50 million—not all of it was spent, but a good part of it was—were that it would be spent in the entire Muskoka area. So towns like Bracebridge and Gravenhurst, besides Huntsville itself, Parry Sound, all these towns in the entire Muskoka area had access to the fund. A committee was struck of all the mayors in all the towns in the greater Muskoka area. They met regularly and were invited to meetings regularly to set priorities and choose projects.

We made no bones about it. This was a once-in-a-lifetime chance to celebrate the Muskoka area and promote it to the world. It's a beautiful area on its own, but by putting this legacy fund together, people were able to choose projects. Every one of these projects is a public project approved by the mayor and council, selected as a priority, and then funded, admittedly, by the federal government. But we went in with our eyes open. We wanted to do this, and we wanted to do it not just for Huntsville but for all the areas, even if they weren't close by, because the entire area benefited.

[Translation]

**Ms. Diane Bourgeois:** Thank you, minister.

I have one final question for Minister Cannon.

So many things were done in that region, such as the installation of interlocking paving stones and toilets in the park. I would like to know, Mr. Cannon, whether you took the opportunity to go and conduct a grand tour with your counterparts to show them the result of the \$47 million investment in the region?

**Hon. Lawrence Cannon:** Like a lot of people, obviously, you can understand that I had to work during those days. That's moreover why the federal government—and we are not ashamed of that—funded a program called Experience Canada, which was somewhat derided by a number of our colleagues.

The fact nevertheless remains that it promoted the country at a cost of roughly \$20 per person who visited the site.

[English]

**The Chair:** Thank you, Minister.

Mr. Warkentin, eight minutes.

**Mr. Chris Warkentin (Peace River, CPC):** Thank you, Mr. Chair.

Thank you, Ministers, for being here this morning. We appreciate your coming to our committee, and coming this early.

Minister Cannon, Canada, as part of the G-8, has a responsibility to host the G-8 from time to time. Obviously, we as a country have taken this responsibility seriously. We undertook to host the G-8 and later on the G-20, which is something I don't think Canadians expected we would host. And I'm not sure the government had expected to host the G-20 in conjunction with the G-8. As a matter of fact, we've heard at this committee that this was entirely unprecedented, that Canada really took on a project that had never been done in the world's history, quite frankly, where these two

summits would come together to be hosted in a single country at a single point in time.

I'm wondering if you could run through the timeframes as they relate to the decision or the willingness of Canada to host the G-8, and then the corresponding responsibility we took on to hold the G-20 in addition to that, and maybe some of the logistical questions that needed to be resolved as a result of the additional responsibility.

• (0900)

**Hon. Lawrence Cannon:** Thank you, colleague, for that question.

I did mention in my opening remarks how important it was and the privilege Canada has had playing host to both the G-8 and G-20.

Indeed, the preparations began well before the event took place, or a number of events. I mentioned, for instance, that the G-8 and the G-20 were preceded by a number of meetings held by, of course...the G-20 sherpa meetings, the G-8 sherpa meetings. And for those who do not understand what the sherpa designation means, this is the Prime Minister's special representative. As they build on the consensus and they come to decisions that are taken, the sherpas do a lot of the groundwork. They do meet around the world. Indeed, this is the process that's in place internationally.

But if we look, colleague, at the outcome.... Let me give you an example of the maternal health, the Muskoka initiative, which is one of the important initiatives that are a part of the millennium development goals. This initiative that Canada pushed, with the support of the Secretary General of the United Nations and also with the support of a lot of the world leaders, required preparation.

I, personally, remember going to Toronto and meeting with a number of representatives from African countries who did indeed participate in the G-8. I met with a number of people from the financial community as well as from the business community. I went as well to the African Union meeting and addressed NEPAD to talk to them about our preliminary agenda and to get their feedback.

While all of this of course takes place, we hosted the planet here for the G-20 pretty well. A lot of the world leaders were here. Decisions that were made do impact a lot of our economies. I think we should be extremely proud of what took place, not only from the G-8's perspective with the Muskoka initiative but also from the perspective of the G-20 decisions that were taken on a going forward basis. I think that Canada and Canadians can be extremely proud of how we managed that and of how the Prime Minister was able to come out and show his leadership on a number of these economic issues, which, as you know, impact all Canadians as well as all industrialized countries around the globe.

**Mr. Chris Warkentin:** Thank you.

So far every witness who has come to our committee who was involved in the G-8 and G-20 has talked about their budget. We have asked every one of them to describe what they undertook and how their budget came in, and every single witness has told us they've come in under budget.

Obviously, we've heard the rhetoric from the opposition change. At one point they were talking about extravagant numbers, which have significantly been reduced. As the numbers and the final costs of the summit have come in, their expectations have been blown away.

I think it demonstrates the responsibility of the respective partners in putting together this summit. While there were the resources to get the job done, every single department thus far and every single partner seems to have come in under budget, at least from what we've heard thus far.

I wonder whether either of you ministers would comment on the expectation, in terms of the cost. There was talk about this being a \$1.5 billion summit. So far, at least, we haven't heard a total number at this committee of final costs, but we're hearing that everybody is coming in under budget.

**Hon. Lawrence Cannon:** If you don't mind, colleague, I'll take just a little time to answer that question.

We deliberately chose to be transparent. This is the government's decision, to be transparent, and to indeed put all the costs forward. Every penny that was spent will be accounted for, but we will also make it transparent. That is our legacy, and that is indeed our political creed with the Canadian public.

In terms of the costing, my officials, as I mentioned before for our budget at DFAIT.... We had budgeted \$180 million to be able to host them. We have recently reported, as of October 28, that \$122,661,986.92 has been spent. We are looking at a variance of \$57,522,013. That is what we expect as of October 28 in terms of the expenses.

There will still be some more bills expected to come in. We expect our surplus at the end of this whole exercise to probably be in the vicinity of between \$35 million and \$40 million.

• (0905)

**Hon. Chuck Strahl:** I would just answer that in the legacy fund, as was announced in the budget, there was some \$50 million allocated. About \$45.7 million, and I say "about" because there are still a few bills—municipalities have an opportunity, until the end of December, to get the rest of their final bills in. It will be around \$45.7 million.

Just as an example, we signed a contribution agreement for \$3.5 million for improvements to the Jack Garland Airport. They ended up spending \$3.1 million. This is the kind of work that went on throughout the Muskoka region. Where allocations were made, I think municipal partners did a good job of contracting and overseeing the work that had to be done—and of course had to be done before the summit took place—and in this case came in under budget. Many of the cases came in under the amount of the contribution agreements.

So people weren't running up the bills; they were in fact keeping them in line. In some cases, such as this.... This is a good example of keeping it substantially under budget but still getting the job done, which is what we asked of them.

**The Chair:** Thank you, Ministers. Thank you, Mr. Warkentin.

Mr. Martin, you have eight minutes, please.

**Mr. Pat Martin (Winnipeg Centre, NDP):** Thank you, Mr. Chair, and thank you to both of the ministers for being here today. It gives me the opportunity on behalf of a lot of Canadians to tell you to your face that we think the two-day G-8/G-20 was a phenomenal waste of time and money, nothing but a rhetorical jamboree for leaders to come here. In fact, we missed an opportunity to demonstrate to the world how our country might tighten our belt and put on the leanest, meanest summit ever, to send out the signal that the era of wretched excess is over, the wretched excess that led us into this catastrophic economic time that we're in.

It's not only a phenomenal waste of money at the worst possible time for the country. I argue that the only lasting legacy out of this might be a couple of new gazebos for Landslide Tony out in his riding, and that the most lasting legacy is changing the image of Toronto the Good into something like that of Watts or the Detroit riots or Kent State, because the only thing people remember now about your billion-dollar gabfest is the image of protesters getting their heads split open by armed officers in a most egregious fashion. That's what they're seeing night after night on the national news.

You know, \$50 million.... You come to us today with a straight face and tell us that you're proud that you didn't spend the whole \$50 million, sprinkling it around to beautify the Muskoka region. It's arguably the most beautiful region in this part of the world already. It didn't need another gazebo. Tony needed a gazebo; Muskoka did not.

I know that you've done your homework to come here and put on the best face possible for what I think was a phenomenal waste of time, energy, money, resources, reputation, and image. What is it going to cost us in terms of PR to bring back the image people used to have of Toronto?

I see that burning police car that nobody bothered to put any fire retardant on for hours and hours. I don't see you, Minister, shaking hands with world leaders. That was gone in a heartbeat. The rest of it is still lingering like a bad taste in people's mouths.

I guess I want to ask specifically about the reasoning and the logic behind what you, Minister Strahl, say are 16 communities.



I asked a question of Bryce Conrad specifically: to itemize the towns and communities that enjoyed some of Tony's grand largesse. They only had 10 communities; you have 16. I don't understand.

The question I put to Bryce Conrad was what other infrastructure or Building Canada fund money, etc., Tony's riding got in that same period of time. They claimed they couldn't answer that question. Perhaps you, as Minister of Infrastructure, could shed some light on this.

How much Building Canada fund money, Communities Component top-up, recreational trails program, and infrastructure stimulus money did Tony receive, above and beyond the \$50 million of unmatched money that went into his riding?

• (0910)

**Hon. Chuck Strahl:** Just briefly to respond to your opening remarks—and I imagine the Minister of Foreign Affairs may want to respond—frankly, to use your logic about things being very costly and about how we shouldn't do it, we wouldn't even participate in the United Nations if it were just a matter of not wanting to spend money.

We do things—and I think the foreign affairs minister will respond to this—because we have an obligation to host the G-8; we have an obligation and the honour to host the G-20. When we did it, as the University of Toronto study showed, there were huge benefits to the Toronto area and some \$320 million in benefits to the Muskoka area. The benefits for the Toronto hotel association are clear; the tourism association is delighted with the impact. So I don't buy your overall argument.

On the number of towns and projects, you mentioned that there is a difference between the number of projects and the number of towns. Some towns had more than one project, but towns throughout the area—I have the list of them here and could read them out—benefited from projects that they proposed. There were initiatives passed in council meetings. This mayors' council, which was really the local area leadership group, came together regularly to set those priorities, and those priorities were funded.

**Mr. Pat Martin:** But Minister, the optics of that don't please me either. You know, here's Tony with his cheque book saying, "How much do you want? How much do you want? How much do you want?" A guy who wins his riding by 46 votes all of a sudden has a goodie bag of \$50 million to spread around the riding.

But can I ask one simple question? Did we look at the cheapest possible option? Why didn't we put it on a military base? The Kapyong Barracks in downtown Winnipeg have 400 heated houses that we keep empty and heated so they don't go skunky on us. There are other military bases across the country that could be easily secured and have accommodation and parade halls and mess arenas where you can accommodate huge numbers of people. This was not the cheapest option, even though we're in the worst economic crisis that we've faced in decades.

Why did you throw aside all of the cheaper options to host this thing if we couldn't get out of hosting it altogether?

**Hon. Lawrence Cannon:** I can respond.

I'm sorry that certainly, colleague, you feel that way. I, for myself—and I think I speak on behalf of my colleagues—was extremely pleased by the work that Canada put forward—

**Mr. Pat Martin:** You're about the only one, sir.

**Hon. Lawrence Cannon:** —particularly in terms of maternal health. That got a great deal of support, not only among the recipient countries but obviously between members of the world community, that Canada is doing its part to be able to be accountable in terms of commitments taken at the G-8. We brought in a new accountability mechanism. Surely, colleague, you should congratulate us on that, but probably you don't have it in you to do so this morning—

**Mr. Pat Martin:** Can you imagine what Randy White would say if he was still sitting? He would be wearing a Mexican sombrero—

**The Chair:** Mr. Martin, please let the minister answer.

**Hon. Lawrence Cannon:** I think that doubling our aid to Africa, being able to step up and work with other economies around the world to be able to get us out of the recession, to call upon countries to put forward stimulus packages to be able to well manage the debt as well as the deficit in the years to come—I don't think that is time wasted. I think, indeed, it's extremely important to do it.

Now I know that your party, colleague, is a party of protectionists. I know that your party would not deal with the outside world, that we would all be enclosed here around borders that are there. But you, unfortunately, colleague, are going to have to open the window and see exactly what's happening in the rest of the world. We're pleased and happy—

**Mr. Pat Martin:** I believe in balanced budgets and not squandering the nation's precious finite resources—

**Hon. Lawrence Cannon:** —to be able to go forward and make sure that when we look at the economic circumstances around the world, we're in a position to be able to exhibit our leadership—

• (0915)

**The Chair:** Minister, could you finish your statement? Thank you.

**Hon. Lawrence Cannon:** —and that I think is exactly what we have to do.

**The Chair:** Thank you, Minister Cannon.

Thank you, Mr. Martin.

Madame Coady, five minutes.

**Ms. Siobhan Coady:** Thank you very much.

Just a couple of points.

First of all, on transparency, you said you were trying to be transparent, yet it took this committee several occasions, several different motions, to compel you to allow us to have the information we needed.

On the second point, I don't think this borders just on extravagant; it goes close to being obscene. Let me share with you some of these numbers here. We talked a little earlier about gifts. You spent \$17,955 on gift bowls; \$2,500 on eight blankets; there was \$30,000 on G-8 aluminum pens, handcrafted pens, red acrylic pens; there was close to \$20,000 spent on 24 place settings; there was \$12,000 spent on tablecloths. These are at a resort that hosts weddings.

My question to the minister is, how could you justify all these expenditures at a time of fiscal restraint, when you're asking Canadians to tighten their belts, when we're having to cut back?

I'm listening to the Minister of Finance over and over... But I'm going to ask one specific question, if I may, and this is on the \$20,000 ice sculpture that was used during the G-20, I believe it was, in Toronto—\$20,000 for an ice sculpture. How is that relevant in a time of fiscal restraint, when you have countries all over the world coming here to discuss the situation in the world, which is really very, very challenging in terms of the economy? How could you justify spending that kind of money on those kinds of items?

**The Chair:** Minister Strahl.

**Hon. Chuck Strahl:** I think Minister Cannon may want to respond to that.

In response to Mr. Martin's comments earlier, I just want to say that we've tabled with the clerk more details on the individual economic action plan numbers that were asked for at the last meeting.

Minister Cannon.

**The Chair:** I'm just adding some time to Madam Coady's question time.

Minister Cannon, I believe you wanted to respond directly.

**Hon. Lawrence Cannon:** Yes, I'll respond briefly, and I'll let Mr. Chowdhury go through this.

Colleagues, this is a book that has been put together. All the expenses are there. We are transparent. We are extremely transparent, and we are accountable.

Mr. Chair, I will ask my colleague to respond to each and every itemized expense, and we will give the response.

**Ms. Siobhan Coady:** Mr. Chair—

**Hon. Lawrence Cannon:** For my part, Mr. Chair, as well as colleagues, I think we can look at the success of the G-8 summit. We can look at the success of the Haiti preparatory summit that was held in Montreal—

**Ms. Siobhan Coady:** What about the ice sculpture, Minister Cannon?

**Hon. Lawrence Cannon:** We can look, colleagues, at the G-20 summit and the results that came forward from there. I speak to those issues. My associate here will be able to respond to those points—

**Ms. Siobhan Coady:** Let me try with Minister Strahl, if I may try with Minister Strahl.

● (0920)

**The Chair:** Go ahead, Madam Coady.

**Hon. Lawrence Cannon:** She asked questions and we'll give a response.

**Ms. Siobhan Coady:** You're not answering.

**The Chair:** She did ask a question. It is her five minutes. She controls her five minutes as she sees fit. If she wishes to hear from Mr. Chowdhury, I'm sure she'll ask Mr. Chowdhury. Meanwhile, if you just continue with your line of questioning, we'll...

**Ms. Siobhan Coady:** Well, I asked Minister Cannon how he can justify it, not for the numbers themselves.

But I'll try Minister Strahl on the G-8 legacy fund. You put a lot of money into the Muskoka area. You've indicated why you put the \$50 million into Muskoka. But I note that you put a million dollars into upgrading sidewalks in a location 81 kilometres away from Deerhurst Resort. You put a bandshell in that was I think 61 kilometres away from Deerhurst Resort. There were downtown improvements for a community. Maybe they're justified. I'm not suggesting that they're not, but it was 47 kilometres away from the G-8 site. There were new washrooms 32 kilometres away. How could it be that you could spend that much money and claim that it was for the G-8 summit? I mean, this is hundreds of kilometres away.

**Hon. Chuck Strahl:** Well...

**Ms. Siobhan Coady:** And you didn't put any money into the G-20. You didn't put any money into Toronto. You put \$50 million into Muskoka and nothing into Toronto, when my colleague has indicated how much money it cost Toronto to do this.

**Hon. Chuck Strahl:** Well, of course, at the same time this was going on, we put over \$1 billion into Toronto, for everything from rebuilding Union Station to the Spadina public transit system.

**Ms. Siobhan Coady:** It was all under the infrastructure program.

**Hon. Chuck Strahl:** We put a lot of money into Toronto, trust me.

But you know, we make no apologies, again, for the fact that this \$50 million didn't go into one town. This was deliberately spread over the entire region. It went right up, in fact, to North Bay, into Anthony Rota's riding. I guess we could have said too bad, so sad, it doesn't work for you. But we said, no, this legacy fund has to benefit the entire region and help us achieve the objectives of the G-8 summit, which were to present the entire region—it's really a jewel for the world to come and have a look at—and to have some lasting legacy pieces.

Whether it was North Bay or Georgian Bay or whether it was South River to Bracebridge, wherever it was, those communities identified priority projects, and we were happy to work with them, once they were identified by local city officials, to make sure they were funded.

**The Chair:** Mr. Strahl, thank you.

[Translation]

Mr. Vincent, go ahead please, for five minutes.

**Mr. Robert Vincent (Shefford, BQ):** Thank you, Mr. Chairman.

Good morning, minister. It must be quite embarrassing to be here today to try to justify the expenditures you've incurred. I find it quite interesting to see how much money was spent for the G8.

Why hold the G8 elsewhere than where the G20 was held? I suppose it was to favour the Minister of Industry, as my colleague said, because it was in his constituency.

Was it just for that reason that you chose Huntsville for the G8, that is to say to favour the Minister of Industry?

**Hon. Lawrence Cannon:** I'll repeat, for the third time, perhaps—

**Mr. Robert Vincent:** Since you're going to repeat it, could you be brief so that it's clear.

**Hon. Lawrence Cannon:** I'm probably forced to repeat because you didn't understand how the process works.

**Mr. Robert Vincent:** Perhaps it wasn't clear enough to be understood.

**Hon. Lawrence Cannon:** So, here I go again. In 2008, a committee was struck consisting of a number of experts from various departments of the Government of Canada. They visited the country. Obviously, those experts came from our department, from the Department of National Defence, from the RCMP and from the Department of Public Works and Government Services Canada. All those people visited five sites, and one of those sites was Muskoka. Lastly, the recommendation made by that committee to the government was, for numerous reasons and criteria, that that site should be selected. That's how it was selected.

**Mr. Robert Vincent:** Thank you, Mr. Cannon.

Did one of those departments, for which those people work, tell them that we were in an economic recession? If the departments had told those experts that we were in a recession, they might have thought that it would be a good idea to hold the G8 and G20 meetings in the same place. We know the economic context; it seems to me that would have been a normal approach.

There's something else. Regional infrastructure work was done. That's quite abnormal. A landing strip at an airport was renovated at a cost of \$4.3 million, and no one landed there. I don't know what that's doing in the G8 budget. Sewer works were carried out 80 km away at a cost of \$1.2 million. What legacy do we want to leave those people? What do we want to tell the people of Canada and Quebec? Do we want to tell them that we spent \$43 million and that we could have used the one third rule under the program of Canada's Economic Action Plan, but that we decided instead to give the money to that department?

Explain to me why the decision was made to invest that much money in a constituency held by a Conservative Minister of Industry and why the other regions, provinces and cities of Canada had to pay for one-third of the facilities. Why was all that given to that region? Why a \$4.3 million runway?

**Hon. Lawrence Cannon:** Very clearly, colleague, it was for the good and simple reason that the committee responsible for making

the recommendations felt that, based on the criteria, that was the appropriate place.

● (0925)

**Mr. Robert Vincent:** Mr. Cannon, you're answering the question I asked earlier. I just asked you a new question.

**Hon. Lawrence Cannon:** Yes, but that allows me to continue, Mr. Vincent. It was exactly the same type of committee as the committee that determined the site, for example, of the North American leaders' summit held in the constituency of your colleague, Mr. Laframboise. It's the same procedure that was used when my predecessor, Pierre Pettigrew, held the Summit of the Americas in Quebec City in the constituency of your colleague, Ms. Gagnon. That was in the middle of Quebec City, in the constituency held by your colleague. You may tell me that's not possible, but I'm telling you that these are criteria, for reasons of security and so on, that govern the conduct and the decisions that are made.

**Mr. Robert Vincent:** I'm answering that no funds were invested in Quebec City, apart from a fence that was not used.

**Hon. Lawrence Cannon:** Stop thinking all the time that no funds were invested in Quebec City by the federal government because of the Bloc Québécois.

**Mr. Robert Vincent:** No, you think that!

What must be most frustrating for you and your government is that you invested so much money in the G8 Summit in order to show off and that you didn't get the seat at the UN. That must be quite frustrating, mustn't it?

**Hon. Lawrence Cannon:** And you're talking to me about the recession and the importance of addressing this issue?

**Mr. Robert Vincent:** Yes, it goes together.

**Hon. Lawrence Cannon:** Do you think for one second that, when the G20 leaders, the heads of government and heads of state met in Toronto, they talked about anything else than the economy and the global recession? That's exactly—

**Mr. Robert Vincent:** I don't know because nothing came out in the papers, Mr. Cannon.

**Hon. Lawrence Cannon:** Obviously, if you had taken the trouble to follow what came out of that meeting, you would have been able to see they got quite a lot of work done.

**Mr. Robert Vincent:** There were no results; the newspapers said there were no results.

[English]

**The Chair:** Monsieur Vincent, Mr. Minister, the time is finished. Thank you.

I'd just say to all colleagues, it's better if you don't talk over each other.

Mr. Holder, for five minutes.

**Mr. Ed Holder (London West, CPC):** Thank you, Chair. I'll try my best not to do that.

I'd like to thank our guests for being here today.

As I've heard testimony today, my sense is this is a one-sided dialogue. On the one side I hear questions that are only intended I think to try to find ways to embarrass the government. I find that disappointing, because, quite frankly, I think this is about full disclosure, when we've heard testimony from people on the ground who would know, and we've heard several.

We've heard that the G-20 was the right location, for any number of reasons; that we hosted four international summits—unprecedented—that came in under budget; that the security we had was appropriate for the purpose. We can talk about security in past summits internationally where there have been tragic consequences; that did not happen here. We've heard previous testimony—Mr. Chowdhury, I recall some of your testimony—that said many items, from dishes to fences, had been recycled for future use. Some items we bought for the summit were bought used and recycled again.

“Recycled” seems to be the operative word, because it seems that every question we've heard today is recycled. We've heard all these questions put to previous witnesses, and frankly, I think their testimony has been thoughtful and straightforward.

No disrespect to our current guests, but I would tell you the testimony I heard prior to this was incredibly transparent, and you can take that back to your officials. My sense is they were honest and sincere and clear.

It's interesting, I've now found a new definition of austerity. My friend from the NDP shared it with us today when he suggested what we might want to consider—I think he said there was an air base that had 400 heated houses that we perhaps could have used, and I think of the 5,000 officials and the 3,700 media. I think the new definition of austerity is 22 to a room. I think that's a new approach. A little cozy, though, Pat, and I'm not sure I'd encourage that.

A lot has been made of the legacy fund. I was looking at past summits that we've been involved with, and I didn't hear my friends from the Liberal Party complain. I just saw Geoff Regan here a moment ago, and in Halifax, where he's from, in the 1995 G-7 summit they provided upgraded sidewalks and street improvements and landscape improvement, I didn't hear any objection there about those kinds of improvements. Then in Vancouver, in 1997, under a Liberal government, when they widened Highway 1 and they had a connector bridge to the Vancouver airport and a new forestry research centre at UBC, I didn't hear them complain. The 1999 summit, de la Francophonie, in Moncton, when, again, the Liberals were in power.... You know what? They put in \$4.5 million to prepare the airport for the Summit of the Americas. In Kananaskis, 2002, Liberals in power again, they had a \$5 million federal gift to contribute to the construction of a wildlife bridge.

We weren't complaining about those things, and it seems because the circumstances have turned...that's where I get frustrated, because I think there has to be integrity in the questions that are asked.

Mr. Cannon, can I put this question to you, please? It strikes me that what we're losing in all of this are the outcomes. The outcomes of what this was intended to do were to put an international focus on an issue that's of critical importance. From what I have seen, we've been able to deliver some \$7.3 billion in new money to save the lives of over one million moms and their babies in the poorest places in

the world, and if we don't make the point that this is the point, then what is this about? Why do we have these kinds of summits?

Minister Cannon, would you comment on that, please?

● (0930)

**The Chair:** You have about one minute.

**Hon. Lawrence Cannon:** Briefly, and thank you, colleague, for that question, as I mentioned and as I tried to point out, this exercise is extremely important. It's important because of the decisions leaders make. Those decisions impact our lives. They impact our lives in numerous ways and they impact the lives of others in terms of Canada's aid, in terms of what we have shown in terms of our leadership.

I spoke about the accountability mechanisms regarding the millennium development goals. I spoke about maternal health and the initiative that is taking place in more fragile and vulnerable countries. I've spoken about the security aspects that the Government of Canada as well as the other leaders have taken regarding Afghanistan, Iran, North Korea.

I've spoken about what has been done at the G-20 in terms of the outcomes and setting the course among the world's most industrialized countries to be able to make sure we're all on the right page as we go forward to get out of this recession. We know the economy is fragile, but that initiative is extremely important to be able to get everybody onside.

So those are the reasons we do these things. We do it to show leadership, but we do it for people in Canada. We do it for people around for the world, and that's the objective of our work.

**The Chair:** Thank you, Mr. Holder.

I believe Ms. Coady has a request of the minister.

**Ms. Siobhan Coady:** Thank you very much.

You referenced in an earlier question how important it was for the decision-making process that you had a report of...I guess a public service committee that helped to determine location.

Would you be willing to give us a copy of that report, please?

**Hon. Lawrence Cannon:** It's already been released under ATIP.

**Ms. Siobhan Coady:** Okay, thank you. We will look for it.

**The Chair:** On behalf of the committee, thank you very much, Ministers and staff, for appearing before the committee this morning.

We'll suspend for two minutes.

• \_\_\_\_\_ (Pause) \_\_\_\_\_

•  
• (0935)

**The Chair:** Colleagues, let's reconvene. Mr. Côté is here.

Welcome to the committee, Monsieur Côté. The usual format is an opening statement that is up to ten minutes, and then members will ask questions. I'm sure the clerk has briefed you on that.

Thank you for your appearance here this morning.

Monsieur Côté.

[*Translation*]

Pardon me, there's a point of order.

**Hon. Denis Coderre (Bourassa, Lib.):** This has become a reflex, but I think it's necessary. I would ask that the witness be sworn in, please.

[*English*]

**The Chair:** Is that the will of the committee?

**Some hon. members:** Yes.

**The Chair:** All right.

[*Translation*]

Please pardon me for a moment.

[*English*]

**Mr. Ed Holder:** Do you think the people asking the questions should swear on Bibles too?

**The Chair:** I'm sure I'll recommend that to certain members.

**Hon. Denis Coderre:** If you're not honourable, you should do it. I was.

**An hon. member:** That's past tense.

**Hon. Denis Coderre:** I'm a member of the Privy Council.

**The Chair:** Colleagues, I will remind you that the microphones are on.

Mr. Côté.

[*Translation*]

**Mr. Bernard Côté (As an Individual):** I, Bernard Côté, do solemnly, sincerely, and truthfully affirm and declare the taking of any oath is according to my religious beliefs unlawful. I do also solemnly, sincerely, and truly affirm and declare that the evidence I shall give on this examination shall be the truth, the whole truth, and nothing but the truth.

**The Chair:** Thank you, Mr. Côté. You may begin your presentation, please.

**Mr. Bernard Côté:** Ladies and gentlemen, members of the Standing Committee on Government Operations and Estimates, I would like to make an opening statement before taking any questions.

I had the great pleasure and privilege of working with the Honourable Michael Fortier from April 2006 to June 2008 as

director of his Montreal office in the context of his duties as Minister responsible for Greater Montreal.

I worked at the minister's regional office located in Old Montreal.

**The Chair:** Please pardon me, Mr. Côté.

[*English*]

Translation is having trouble keeping up with you. They don't have a text of your remarks

[*Translation*]

in English or in French.

[*English*]

Do you have any other copies?

**Mr. Bernard Côté:** No, this is the copy I have.

**The Chair:** If you could just be merciful to the translation and be a little slower—

**Mr. Bernard Côté:** A little slower?

**The Chair:** Yes.

[*Translation*]

**Mr. Bernard Côté:** As I was saying, I worked at the minister's regional office located in Old Montreal.

My first reason for accepting the position was to advance the files that would enable the greater Montreal area to accelerate its development in the interests of all its citizens.

I am very proud to have contributed to the execution of a number of important files such as the transfer of surplus federal lands to the Canada Lands Company for the development of Montreal's New Harbourfront, construction of the Quartier des spectacles, the expansion of the Musée des Beaux-Arts de Montréal, and the announcement of the new Planétarium de Montréal.

Previously, before joining Minister Fortier's office, I had worked in commercial real estate for 18 years as a real estate broker and real property and real property portfolio manager. I also worked for the Progressive Conservative Party of Canada, which has been the Conservative Party of Canada since 1980.

With the appointment of Michael Fortier as Minister of Public Works and Government Services Canada and Minister responsible for Greater Montreal, the new Conservative government clearly showed that it wanted to establish a direct channel of communication so that the voices of the constituents of greater Montreal, like those of all the other large Canadian cities, could be heard at the highest level of the federal government.

To respond to that clearly expressed wish of the new government, our work, like that of every representative of an MP or minister, was thus to respond to the many calls from individuals, organizations and groups active in all the areas of activity in order to help, support and orient them in their efforts to deal with the federal government.

In a public place, I met Mr. Paul Sauvé, president of a Montreal firm specializing in masonry, a firm I knew by name as a result of my longstanding activities in commercial real estate.

During that interview, Mr. Sauvé told me about the trouble he appeared to be having breaking into the federal government market in Ottawa, whereas the volume of work in his area of expertise, masonry, was significant, with the renovations scheduled for the buildings on Parliament Hill.

As that matter fell under the jurisdiction of the Department of Public Works and Government Services, it was not my responsibility. I conducted no further follow-up on this matter. That constituted my entire involvement in this file.

Thank you for your attention.

● (0940)

**The Chair:** Mr. Coderre, you have eight minutes, please.

**Hon. Denis Coderre:** Thank you, Mr. Chairman.

Thank you for being here today, Mr. Côté. It's important for you to be here because your name has been mentioned a number of times and we like to speak directly with the persons concerned. That's why you are here. Mr. Sauvé talked about you, and we obviously have a lot of questions to ask about the situation regarding renovation contracts.

Above all, I would like to go back to your meeting at the Mas des Oliviers. How many times did you meet with Mr. Sauvé?

**Mr. Bernard Côté:** Once.

**Hon. Denis Coderre:** Only once.

Mr. Sauvé reported what you had told him: "He said that things were going to change on Parliament Hill and that, with the new Conservative regime, it would be possible to obtain contracts." I asked him the question again. I told him: "So he told you that, with the Conservatives, Quebec would get its fair share and that you would have your contract." He answered that that's the way it was.

Is that correct?

**Mr. Bernard Côté:** I don't remember saying that.

**Hon. Denis Coderre:** You don't remember telling Mr. Sauvé that he would have a contract.

**Mr. Bernard Côté:** No.

**Hon. Denis Coderre:** What did you tell him?

**Mr. Bernard Côté:** It was a general discussion about the fact that he seemed to be having trouble breaking into the Ottawa market. It didn't concern any contract in particular.

**Hon. Denis Coderre:** He never talked to you about his contract. And yet he did talk about his contract.

**Mr. Bernard Côté:** I don't even know what contract he talked about. It's quite simple. I have no idea about the contract in question, except for what came out at the start of this affair.

**Hon. Denis Coderre:** Following the remarks that he made about his difficulties, what steps did you take? As a political assistant, you have to forward messages. Did you forward any messages to anyone?

**Mr. Bernard Côté:** No specific message was forwarded. It was a general conversation about the fact that he was having trouble breaking into the Ottawa market. That may be a topic that my colleagues at the Ottawa office discussed, but, generally speaking,

by saying that people might be complaining that it was difficult to get established and bid on government contracts.

**Hon. Denis Coderre:** Who asked you to meet with Mr. Sauvé?

**Mr. Bernard Côté:** I don't remember. I remember meeting Mr. Sauvé, but I don't remember who asked me, or how, or when.

● (0945)

**Hon. Denis Coderre:** At what point did you eat with Mr. Sauvé? On what date?

**Mr. Bernard Côté:** I just told you: I don't remember.

**Hon. Denis Coderre:** You don't remember.

**Mr. Bernard Côté:** No, not at all.

**Hon. Denis Coderre:** You remember that you ate with him, but you don't remember when.

**Mr. Bernard Côté:** I remember meeting him, but I don't remember the date.

**Hon. Denis Coderre:** It wasn't Mr. Varin who asked you to meet him?

**Mr. Bernard Côté:** As I told you, I don't remember how... I met a lot of people in the two years I was there. Don't ask me to put dates to each of the meetings and say through whom and how it happened because I don't remember.

**Hon. Denis Coderre:** I hope for your sake you don't want the sound bite on the news this evening to be: "I don't remember." We're going to have to work a little.

**Mr. Bernard Côté:** I've sworn an oath here to say what I know. So I'm telling you what I know.

**Hon. Denis Coderre:** And what you remember.

Do you often go to the Mas des Oliviers restaurant?

**Mr. Bernard Côté:** Not really.

**Hon. Denis Coderre:** How many times?

You don't remember—

**Mr. Bernard Côté:** Once or twice a year.

**Hon. Denis Coderre:** You don't remember talking about contracts with Mr. Varin?

**Mr. Bernard Côté:** No.

**Hon. Denis Coderre:** Mr. Varin never spoke about contracts with you?

**Mr. Bernard Côté:** Mr. Varin approached us. I remember an event with... Not an event, but an element with Mr. Varin.

**Hon. Denis Coderre:** Which one?

**Mr. Bernard Côté:** Mr. Varin had approached us, as a member of the Yacht Club of the Old Port of Montreal. If I remember correctly, he needed something in order to complete the construction of the Yacht Club of the Old Port of Montreal.

**Hon. Denis Coderre:** He asked you to intervene on his behalf for the Montreal Yacht Club.

**Mr. Bernard Côté:** The idea was to see whether something could be done so the yacht club could obtain financial support from the federal government to complete its facilities.

**Hon. Denis Coderre:** Did he meet with you as a Conservative or as a lobbyist?

**Mr. Bernard Côté:** He's a member of the Yacht Club of the Old Port of Montreal.

**Hon. Denis Coderre:** Did you sense that he was engaging in lobbying?

**Mr. Bernard Côté:** No, he approached us as a member of the Yacht Club of the Old Port of Montreal.

**Hon. Denis Coderre:** You know that you hold public office. You know that your role is to record the facts every time people ask you for things, if that's an act of lobbying.

**Mr. Bernard Côté:** Yes, but that—

**Hon. Denis Coderre:** That wasn't lobbying, in your mind?

**Mr. Bernard Côté:** If he's a member of an association and he approaches us—

**Hon. Denis Coderre:** How did you meet Mr. Sauvé? You told me you were in real estate for a long time. You're still in it.

Are you still in it?

**Mr. Bernard Côté:** Partly, yes.

**Hon. Denis Coderre:** How did you meet Mr. Sauvé?

**Mr. Bernard Côté:** I met him on the day I met him.

**Hon. Denis Coderre:** You knew the company, but you didn't know him. Is that it?

**Mr. Bernard Côté:** We knew the company because if you moved around Montreal a little and saw building renovation works, you also saw that the LM Sauvé sign quite regularly appeared on those buildings.

**Hon. Denis Coderre:** What did you do after your lunch with Mr. Sauvé? You just listened to him and you said to yourself that he should feel all right after that?

**Mr. Bernard Côté:** I listened—

**Hon. Denis Coderre:** That's all?

**Mr. Bernard Côté:** —and as it wasn't my responsibility, it was—  
[English]

**Hon. Denis Coderre:** That's it?

[Translation]

Nothing else happened?

Did you report that to your minister? Mr. Fortier says he's a longstanding friend, that you've known him for more than 10 years. Is that correct?

**Mr. Bernard Côté:** Yes.

**Hon. Denis Coderre:** So when you had a relationship... Especially when he was minister responsible for greater Montreal... You had a prominent role because you were the person who was the go-between.

I imagine you reported to him?

**Mr. Bernard Côté:** You sometimes report on subjects that are important. This one, on the other hand, wasn't a subject of concern for greater Montreal.

**Hon. Denis Coderre:** So you never spoke to Mr. Fortier about Mr. Sauvé.

**Mr. Bernard Côté:** No.

As I told you, my only intervention in this file was to meet him and to listen to him.

**Hon. Denis Coderre:** But you don't remember him asking you to meet with him?

**Mr. Bernard Côté:** No.

As I told you, I don't remember how the meeting was organized.

**Hon. Denis Coderre:** Where did you go? To the Mas des Oliviers?

**Mr. Bernard Côté:** It was at the Mas des Oliviers.

**Hon. Denis Coderre:** And no one asked you to go and eat with him. All right. No. You say you don't remember that.

**Mr. Bernard Côté:** That's it.

**Hon. Denis Coderre:** Are you still a member of the Conservative Party?

**Mr. Bernard Côté:** Yes, of course.

**Hon. Denis Coderre:** Do you still have a position with the Conservative Party?

**Mr. Bernard Côté:** Yes, I'm the financial officer of my constituency association.

**Hon. Denis Coderre:** You were involved in financing for the Conservative Party?

**Mr. Bernard Côté:** I was involved in financing for my association... I'm involved in financing for my constituency association right now.

**Hon. Denis Coderre:** Did Mr. Sauvé contribute to a Conservative benefit event?

**Mr. Bernard Côté:** No.

**Hon. Denis Coderre:** Did you have to meet with contractors who were involved in financing activities with you?

● (0950)

**Mr. Bernard Côté:** Repeat the question.

**Hon. Denis Coderre:** Did any Montreal contractors, from the construction industry, make financial contributions to the constituency of Jeanne-Le Ber?

You don't remember that?

**Mr. Bernard Côté:** I have some names of individuals, but what they do in life—

**Hon. Denis Coderre:** You don't verify the people who—

**Mr. Bernard Côté:** No, I mean... According to the rules, the cheques are supposed to be personal cheques. So they're personal cheques. However, it doesn't tell us where they come from or from whom.

**Hon. Denis Coderre:** Thank you.

**The Chair:** Thank you, Mr. Coderre. Thank you, Mr. Côté.

Ms. Bourgeois, you have eight minutes, please.

**Ms. Diane Bourgeois:** Thank you, Mr. Chairman.

Good morning, Mr. Côté. With regard to your previous employment, you say you were a commercial real estate broker. May we know under what company name that was?

**Mr. Bernard Côté:** Yes, it was under the name of Avison Young. It's a national company.

**Ms. Diane Bourgeois:** When you say "commercial", you mean just offices?

**Mr. Bernard Côté:** I was involved in offices, industrial and commercial buildings and retail businesses.

**Ms. Diane Bourgeois:** How did you come to work for Mr. Fortier?

**Mr. Bernard Côté:** I was asked, and the challenge seemed interesting.

**Ms. Diane Bourgeois:** You were responsible for an office. You had some flexibility there? Was the minister often in the office?

**Mr. Bernard Côté:** Mr. Fortier had an advantage over you. As the Senate sits three days a week, that gave him a little more freedom.

**Ms. Diane Bourgeois:** He was often with you.

**Mr. Bernard Côté:** He was often at the office.

**Ms. Diane Bourgeois:** All right. You had a secretary? How many staff members were there in that office? There was Mr. Fortier, you... Was there a secretary who took calls and messages?

**Mr. Bernard Côté:** We're talking here about two people from the department who managed the ministers' regional office.

**Ms. Diane Bourgeois:** Those people are in Montreal?

**Mr. Bernard Côté:** Yes, they have an office at 400 Place d'Youville, 6th Floor.

**Ms. Diane Bourgeois:** I'm trying to get a clear idea of your role so that we don't make a mistake. Ultimately, you were Mr. Fortier's right-hand man for the Montreal region. Is that correct?

**Mr. Bernard Côté:** That's well said.

**Ms. Diane Bourgeois:** Mr. Côté, did you decide, for example, whether the type of work an individual did might be useful for the House of Commons? Did you make that kind of decision? I'm trying to see.

**Mr. Bernard Côté:** It concerned a few of the files I mentioned. We followed them up to ensure they were carried out.

**Ms. Diane Bourgeois:** All right. What were those files about? You mentioned some people. Give me an example.

**Mr. Bernard Côté:** The City of Montreal; practically all museums; people in the cultural field—

**Ms. Diane Bourgeois:** Did people come to see you saying they thought their product was better than another for a project that was to be carried out in the City of Montreal? Did people come to see you and tell you about their products, about their projects?

**Mr. Bernard Côté:** The people from the City of Montreal told us about the Quartier des spectacles, a project that was to be carried out.

**Ms. Diane Bourgeois:** So they mentioned those needs to you. At the same time, did people go and see you to tell you that they could meet the needs because they had innovative material, for example?

**Mr. Bernard Côté:** No.

**Ms. Diane Bourgeois:** No one went to see you to tell you—

**Mr. Bernard Côté:** I'll give you an example. The mayor of Montreal, Mr. Tremblay, spoke to Mr. Fortier about the Quartier des spectacles project. He told him that it was going to cost \$120 million and that he would like to see the federal government make a financial contribution to the implementation of that project.

**Ms. Diane Bourgeois:** With regard to the meeting with Mr. Sauvé, you said, in response to a question by my colleague, that you went to lunch with him and that it lasted an hour. I would like to know what you talked about. You say you didn't talk about contracts. Do you remember what you did talk about?

**Mr. Bernard Côté:** I said it in my opening statement.

**Ms. Diane Bourgeois:** Say it again.

• (0955)

**Mr. Bernard Côté:** I'm going to reread to you what I said earlier.

**Ms. Diane Bourgeois:** No, no, look at me in the eye and tell me.

**Mr. Bernard Côté:** I'm going to read you what I said earlier; it says exactly what it means:

During that interview, Mr. Sauvé told me about the trouble he appeared to be having breaking into the federal government market in Ottawa, whereas the volume of work in his area of expertise, masonry, was significant, with the renovations scheduled for the buildings on Parliament Hill.

**Ms. Diane Bourgeois:** At that point, did you talk about how difficult it was for a Quebec contractor to do business in Ontario?

**Mr. Bernard Côté:** That was somewhat the gist of his remarks.

**Ms. Diane Bourgeois:** Did you talk about the fact that the Conservative government or Mr. Fortier wanted to be able to establish a more direct working relationship between the two provinces?

**Mr. Bernard Côté:** No.

**Ms. Diane Bourgeois:** And yet Mr. Sauvé told us that's what you talked about. It's true you have a lot of memory lapses.

As minister for Montreal issues—you told me this earlier—Mr. Fortier was often available; he was often at the office. Did you know that he was supposed to meet with Mr. Sauvé?

**Mr. Bernard Côté:** I don't think so.

**Ms. Diane Bourgeois:** Since he was often at the office, as you told me, didn't you keep him up to date?

**Mr. Bernard Côté:** Yes, but I didn't—

**Ms. Diane Bourgeois:** Did he keep you accountable for your schedule, for what you were doing, for people you were meeting?

**Mr. Bernard Côté:** The important files were submitted to him, but not the less important files or the ones for which there was no follow-up.

**Ms. Diane Bourgeois:** Did someone make appointments for you? Did the person who made appointments tell you that you would have to meet with Mr. Sauvé at a luncheon?

**Mr. Bernard Côté:** I usually made the appointments myself.



**Ms. Diane Bourgeois:** You made them. You don't exactly remember that meeting with Mr. Sauvé, what you talked about or why you met?

**Mr. Bernard Côté:** I'm going to repeat what I said. I don't remember when the meeting took place; I don't remember how it was organized or through whom it was organized.

**Ms. Diane Bourgeois:** You handle your own agenda, but you don't know through whom or how it was organized.

**Mr. Bernard Côté:** I don't remember. I repeat, I had a number of meetings—not to say hundreds of meetings—in the two years I was there. I don't remember—

**Ms. Diane Bourgeois:** From what you say, Mr. Sauvé had posters everywhere; he was at Montreal city hall. He wasn't a nobody. How many millions of dollars did Mr. Sauvé have? You don't remember, Mr. Côté, that you met him or how that meeting was planned? Are you making fun of us? I've been listening to you since earlier and I'm trying to get you to talk, but you have a very selective and very short-term memory. Don't make fun of us this morning! Who wrote your brief, Mr. Côté? Who wrote the brief you just read to us?

**Mr. Bernard Côté:** Madam, I think I went to school long enough to learn to write.

**Ms. Diane Bourgeois:** Pardon me, but this is shocking. Your appearance is shocking!

Thank you, Mr. Chairman.

**The Chair:** Thank you, Ms. Bourgeois.

Thank you, Mr. Côté.

Mr. Gourde, you have eight minutes.

**Mr. Jacques Gourde (Lotbinière—Chutes-de-la-Chaudière, CPC):** Thank you very much, Mr. Chairman.

Mr. Côté, thank you for being here this morning, even though it is hard to understand how you're being here is relevant to the committee's studies. I apologize on behalf of the committee for the lack of respect shown by some of my colleagues. That's frankly disgraceful. I hope you'll get an apology later on during the committee meeting.

Some people seem not to understand the role of the ministers' office in Montreal. You briefly spoke about it in your presentation. Can you explain to us what your role was and how you worked with stakeholders, and so on?

**Mr. Bernard Côté:** As I mentioned, my mandate was to handle files in the greater Montreal area. Everyone knows the number of priorities the mayor had in Montreal. I believe they could be counted in the hundreds. I must admit to you that the City of Montreal kept us very busy. As you know, there is a dynamic cultural environment in Montreal. They also kept us busy with regard to financial support for a number of their projects. Most of the time was spent on that.

In addition, the minister's office also had projects, such as the transfer of surplus federal government lands around the Port of Montreal to the Canada Lands Company for development. That's an initiative that Minister Fortier introduced and that his colleague, Mr. Cannon, had accepted. We launched the project. It took a lot of

time and energy not only to launch the project, but also to advertise it. The projects are finishing now, something we're very proud of.

• (1000)

**Mr. Jacques Gourde:** I would like to get a clear understanding of the role and important work of the office of the minister responsible for greater Montreal. Does the office cover an area, a number of constituencies or all of the city of Montreal and its suburbs?

**Mr. Bernard Côté:** We felt that it was the greater Montreal area. According to Statistics Canada, that's the Montreal census metropolitan area. That included the southern suburbs, Montérégie, Montreal, Laval and the North Shore.

**Mr. Jacques Gourde:** We're talking about three million people here.

**Mr. Bernard Côté:** According the Statistics Canada census, we're talking about 3.6 million people.

**Mr. Jacques Gourde:** The three or four people who work at the Montreal office and who represent more than three million people must have an enormous job to do to represent all those orphans, because there were no representatives taking care of them.

**Mr. Bernard Côté:** As I said, we already had quite a lot on our plate with the City of Montreal.

**Mr. Jacques Gourde:** Did any opposition party members communicate with the Montreal office to make requests or to push certain files in their constituencies?

**Mr. Bernard Côté:** No. I don't remember receiving any requests from opposition members.

**Mr. Jacques Gourde:** You say that the federal members in Montreal don't handle their constituencies?

**Mr. Bernard Côté:** You can interpret that as you wish.

**Mr. Jacques Gourde:** A good member usually handles at least some of his constituency's files. At the regional level, they often hold caucus meetings and try to move certain files forward.

**Mr. Bernard Côté:** I believe most members in the Montreal area... The City of Montreal felt that it had a special liaison in the person of Michael Fortier. Files were directed to him.

**Mr. Jacques Gourde:** So what you're telling committee members is that the only party in Canada that handled the major issues of the greater Montreal area was the Conservative government.

**Mr. Bernard Côté:** I would say so.

[English]

**The Chair:** Monsieur Gourde, Monsieur Côté, we have a subject matter at hand here. We are straying somewhat from the subject matter. I'm perfectly prepared to allow your continuing line of questioning, but bear in mind that we do have a subject matter here.

**An hon. member:** Has anybody got to it yet?

**The Chair:** Please continue, Mr. Gourde.

[Translation]

**Mr. Jacques Gourde:** Mr. Chairman, I would simply like to add that earlier the opposition asked some questions that were very much unrelated to the objectives of this meeting. We can restore some balance.

I personally want to thank you and to apologize for the lack of respect shown by some of my colleagues opposite.

I'll hand the floor over to my colleague.

[English]

**The Chair:** Mr. Warkentin, for three minutes.

**Mr. Chris Warkentin:** Thank you very much.

I think the point the chair has made is a valid one, that nobody around this committee table has yet actually undertaken to ask questions relating to what we've been called as a committee to undertake, and that's to look into the awarding of contracts for the renovation of the parliamentary precinct.

Mr. Côté, were you involved in the tendering process for the renovation contracts, or did you work with the renovation contractors?

**Mr. Bernard Côté:** No, never.

**Mr. Chris Warkentin:** So you were not responsible for choosing who would be working on the West Block, particularly?

**Mr. Bernard Côté:** No.

**Mr. Chris Warkentin:** Okay.

That's consistent with the testimony we've heard so far. We've heard from Public Works that, within the department, they were fully responsible for that, that qualified public servants were actually engaged and fully responsible for that.

I just wanted to be assured, because we are discussing the issue of the parliamentary renovations, that you were not involved in that process.

•(1005)

**Mr. Bernard Côté:** I have never been involved in that process.

**Mr. Chris Warkentin:** Okay.

Well then, I guess we'll just engage in a fishing expedition, seeing that it's been the consistent practice of this committee.

So far we've heard you contradict Mr. Sauvé's testimony slightly—but you're not alone. Every single witness who's come before this committee, either before or after Mr. Sauvé, has contradicted Mr. Sauvé's testimony, including Mr. Sauvé himself within it. So it's not unusual that you would do that.

As a matter of fact, when he came before the committee, he contradicted himself a couple of times, including some of the documentation he brought that contradicted what he said.

So it's not surprising that you would contradict what he said. But you can assure us that when you met with him, you did not assure him that he would receive the contract—

**Mr. Bernard Côté:** No.

**Mr. Chris Warkentin:** —to do masonry work on the parliamentary precinct?

**Mr. Bernard Côté:** No.

**Mr. Chris Warkentin:** That's interesting. Did you undertake to advise Mr. Sauvé as to what he should include in his submission to Public Works as it relates to the contract?

**Mr. Bernard Côté:** I did not know what the contract was, the specifics of the contract. I was totally unaware of anything concerning the contract. So it's very difficult to advise on something you don't know.

**Mr. Chris Warkentin:** I appreciate that. My time has run out, so I thank you for your testimony.

**The Chair:** Thank you, Mr. Warkentin and Mr. Côté.

Mr. Martin, for eight minutes, please.

**Mr. Pat Martin:** It seems the testimony of all the people who are connected with these contracts is “the dog ate my homework” defence. You can never seem to remember the pertinent details that we need to know about. “The dog ate my homework”—that's what I used to tell my teacher at school. Your story is about as plausible as mine was then, I can tell you.

Mr. Sauvé was spending \$10,000 to \$15,000 a month on Mr. Varin—to meet you. Eventually all he got for his money was to meet you, but by some happy coincidence, as soon as that happened, he got his contract. This is the connection that you can't deny. They go to this restaurant, happily you are there, they get pulled to a private table at the back, he gets a one on one with the Minister of Public Works' executive assistant, and bingo, bango, bongo, he gets his job.

What is your connection with Julie Couillard?

**Mr. Bernard Côté:** I read here, as the study of this committee, “management of the Department of Public Works and Government Services in awarding of contracts for the renovation of parliamentary buildings”. Julie Couillard has nothing to do with that.

**The Chair:** I don't think the question has anything to do with the subject matter.

**Mr. Pat Martin:** Yes, sir, it does. It has to do with the awarding of a contract to a contractor who was mobbed up by the Hells Angels, and now, in regard to this woman who used to be involved with bikers, I want to know if there's a personal relationship between him and Mr. Côté.

**The Chair:** Again I say to you what I said to Mr. Gourde. We seem to be going awfully far out here. I'll allow this line of questioning for a while longer, but please bring it back to relevancy.

**Mr. Pat Martin:** Mr. Chair, through you, could you remind the witness that he does not have the right to remain silent at a parliamentary committee. That right is offset by his parliamentary privilege at this committee.

**The Chair:** Mr. Holder, on a point of order.

**Mr. Ed Holder:** What Mr. Martin says is quite true, but I would come back to relevance, and I would ask you, as you've suggested, to keep relevance very much in mind in any line of questioning.

Thank you, sir.

**Mr. Pat Martin:** Did you have a personal relationship? Have you ever met personally with Julie Couillard?

**Mr. Bernard Côté:** Yes.

**Mr. Pat Martin:** Good.

What was the nature of that relationship?

**Mr. Bernard Côté:** It was personal.

**Mr. Pat Martin:** Let me ask you this as well. You have a background in real estate, and one of the biggest files of Mr. Fortier at the time was the sale and leaseback of some publicly owned commercial office buildings. Is that correct?

• (1010)

**Mr. Bernard Côté:** Yes.

**Mr. Pat Martin:** Do you remember the names Mr. Tipple and Mr. Rotor?

**Mr. Bernard Côté:** I've heard the names.

**Mr. Pat Martin:** Did you ever meet with Mr. Byers from the BMO or Mr. Norris from the Royal Bank?

**Mr. Bernard Côté:** No. I was not involved in that file.

**Mr. Pat Martin:** Are you aware that through sworn testimony at the labour board, Mr. Tipple and Mr. Rotor alleged that Minister Fortier personally interfered with the administration of the contract given to those banks?

**Mr. Bernard Côté:** What does it have to do with the subject matter of today?

**Mr. Pat Martin:** It's not your job to decide.

**Mr. Bernard Côté:** No. I'm asking the chair.

**Mr. Pat Martin:** We're talking about political interference with the administration of Public Works' contracts. What could be more relevant?

**The Chair:** I do think at this point it's a relevant question, although I do caution all members that we have to stay within the bounds of relevance.

Mr. Martin, I'll allow this line of questioning to continue.

**Mr. Bernard Côté:** What was your question again?

**Mr. Pat Martin:** What is your role in the sale and leaseback of public buildings, the Larco project, and the involvement of Mr. Byers and Mr. Norris? Are you saying you've never met Mr. Byers, the bidder for the Bank of Montreal, and Mr. Norris, the bidder for the Royal Bank of Canada?

**Mr. Bernard Côté:** I never met them. I was not involved in the file.

**Mr. Pat Martin:** Why would the executive assistant, who has a background in commercial real estate, to the minister not be involved in one of the key files of the minister's office?

**Mr. Bernard Côté:** I'll tell you that when the subject matter came up for discussion at the minister's office, I told the minister I was not in favour of such a deal. That was the end of it.

**Mr. Pat Martin:** Good advice.

The judge said at the time that the firing of Mr. Tipple and Mr. Rotor was a sham and a camouflage, because they were

whistleblowers who were uncomfortable with the minister personally interfering with the administration of that contract. Are you aware of that?

**Mr. Bernard Côté:** Is this the judgment that was rendered?

**Mr. Pat Martin:** The judge himself.

**Mr. Bernard Côté:** I don't know. I didn't follow that, because it's way out of my line of duty.

**Mr. Pat Martin:** Julie Couillard seems to have screwed her way into a position of influence with the Conservatives—

**The Chair:** Mr. Holder, on a point of order.

**Mr. Ed Holder:** I think there has to be some decorum and some respect, and I think the choice of words used here is unparliamentary. I'd ask this member to cease and desist along that line. That's just disrespectful.

I don't care how much parliamentary privilege we have. There gets to be a point of respect, and I think that crosses a line.

**The Chair:** I think Mr. Holder is making a point.

Mr. Martin, continue.

**Mr. Pat Martin:** Our concern is—and it's one of the most horrifying things for Canadians—that a guy who was mobbed up by the Hells Angels manages to buy his way onto the pre-qualified bidders' list for a project he clearly wasn't qualified for, because he went bankrupt shortly, months, thereafter.

We're acting on behalf of the Canadian taxpayer here. We don't want \$9 million jobs going to people who clearly should never have even made the pre-qualified list. The connection I'm concerned about is the influence of bikers in the construction industry, not only in Quebec but in British Columbia and right across this country, where they became the labour brokers. They find a perfect place to launder their drug money, etc. That's the connection we're worried about, and we know of the former connection of Julie Couillard, who happened to gain access to senior, high-ranking officials and ministers in the Conservative government. Is it a coincidence that these biker-dominated construction companies are all of a sudden getting juicy government contracts right underneath our noses in the Parliament buildings?

Here you are, a chief assistant to the Minister of Public Works, and you're going out with a woman who has a known connection to the Hells Angels. Did a little light go off in your head that maybe this is a bad idea? No?

**Mr. Bernard Côté:** No.

**Mr. Pat Martin:** I don't know what to say about that. I'm at a loss for words.

**The Chair:** [*Inaudible—Editor*]

**Some hon. members:** Oh, oh!

**The Chair:** Thank you, Mr. Martin.

Mr. Regan, for five minutes, please.

**Hon. Geoff Regan (Halifax West, Lib.):** Thank you very much, Mr. Chair.

Thank you, Mr. Côté, for being here this morning.

Mr. Côté, did you meet with anyone to discuss the testimony you would give this morning in advance of this meeting?

**Mr. Bernard Côté:** I discussed it with some friends.

•(1015)

**Hon. Geoff Regan:** Which friends would those be?

**Mr. Bernard Côté:** Friends of mine.

**Hon. Geoff Regan:** Are they members of the Conservative Party?

**Mr. Bernard Côté:** Many of my friends are Conservatives.

**Hon. Geoff Regan:** Are you prepared to tell us who they were?

**Mr. Bernard Côté:** No, it's none of your business.

**Hon. Geoff Regan:** I'm sorry. You're telling me that you had discussions in preparing for testimony here at this meeting and it's none of our business to know who you discussed it with?

I'm sorry, sir. You're wrong. Please disclose to us who you discussed your testimony with in advance of this meeting.

**Mr. Bernard Côté:** Mr. Chair, am I obliged to—

**The Chair:** Yes, you are, Mr. Côté. There is no witness privilege that is accorded to who you might talk to.

**Mr. Bernard Côté:** One of my former colleagues, Jacques Gagnon.

**Hon. Geoff Regan:** Who is Mr. Gagnon? What did he do in the minister's office?

**Mr. Bernard Côté:** He was director of communications for Mr. Fortier.

**Hon. Geoff Regan:** He was director of communications for Mr. Fortier. He was in charge of massaging the messaging. He was the spin doctor for Mr. Fortier, and he's advised—

**Mr. Bernard Côté:** He was the director of communications for Mr. Fortier.

**Hon. Geoff Regan:** He has helped you to prepare for today's testimony.

**Mr. Bernard Côté:** He's a communications guy. He gave me some advice.

**Hon. Geoff Regan:** What sort of advice did he give you?

**Mr. Bernard Côté:** How to prepare and how to answer in general.

**Hon. Geoff Regan:** Was the minister's office involved? Where is Mr. Gagnon now? What does he do now?

**Mr. Bernard Côté:** He's a consultant. He's on his own.

**Hon. Geoff Regan:** In?

**Mr. Bernard Côté:** In communication.

**Hon. Geoff Regan:** In Ottawa, in Calgary?

**Mr. Bernard Côté:** He's in Montreal.

**Hon. Geoff Regan:** In Montreal. Okay.

**Mr. Bernard Côté:** Be specific. Your question was "What does he do?" It was not "Where does he do it?"

**Hon. Geoff Regan:** No, no. Thank you. That was my next question, you see?

Was the minister's office involved in the distribution of contracts for the repairs to the West Block?

**Mr. Bernard Côté:** I'm sorry, repeat that.

[*Translation*]

**Hon. Geoff Regan:** Was the minister's office involved in awarding contracts for the renovation of the north tower of the West Block?

[*English*]

**Mr. Bernard Côté:** The office in Montreal?

[*Translation*]

**Hon. Geoff Regan:** No, the minister's office.

[*English*]

**Mr. Bernard Côté:** I don't know what all my colleagues in the office in Ottawa were doing on a daily basis, but my understanding, referring to what your colleague said, was that nobody would interfere in the attribution of the contract.

[*Translation*]

**Hon. Geoff Regan:** You're relying on the comments of my colleagues on the other side of the table in saying that. I'll hand over to Mr. Coderre.

[*English*]

**Mr. Bernard Côté:** Which I understand is based on what the civil servants have said.

[*Translation*]

**Hon. Denis Coderre:** What is increasingly clear, Mr. Côté, is that our Conservative friends on the other side of the table organized your appearance, prepared you and arranged for you to be given the brief. I'm beginning to think that the appearance of certain other Conservative witnesses who have come here was orchestrated and organized as well.

So, Mr. Gourde, you should apologize for having prepared a witness because that's totally unacceptable. That's the problem!

**Mr. Bernard Côté:** Unless I'm mistaken, Mr. Gourde, I don't remember us speaking before today's meeting.

**Hon. Denis Coderre:** Oh, you've previously spoken to him?

[*English*]

**The Chair:** Do you have a point of order?

**An hon. member:** *Oui*.

**The Chair:** Which is first?

**Mr. Chris Warkentin:** My point of order is, Mr. Chair. I think it's incumbent upon you to hold back committee members from accusing other committee members of stuff that there is no foundation for. It's absolutely beyond the pale that Denis Coderre would accuse one of my colleagues of undertaking something that there is absolutely no indication...no testimony or evidence for. Simply to accuse is absolutely irresponsible, but I think obviously the member is still sore from last meeting.

**The Chair:** Thank you, Mr. Warkentin, for that issue. I do recollect other members making accusations to other members, and unfortunately, if one is loud, then the next one gets loud as well. So I'll caution Mr. Coderre: could we deal with the witness, because we have a witness here? And conversations between members are not always that helpful.

So absent any other point of order, I'm going to ask Mr.—oh, you're okay.

Mr. Gourde.

[*Translation*]

**Mr. Jacques Gourde:** Thank you very much.

Just to reassure my colleague, Mr. Coderre, this is the first time in my life that I've met Mr. Côté.

**Hon. Denis Coderre:** Oops, he just said he had previously met you!

**Mr. Jacques Gourde:** No, that's not what he said.

**Hon. Denis Coderre:** He said he knew you.

[*English*]

**The Chair:** Okay. We're not having witnesses on this side of the table. The witness is down there.

Mr. Coderre, you have one minute and forty-five seconds.

[*Translation*]

**Hon. Denis Coderre:** Mr. Côté, I increasingly think that we're going to have to invite you back because there are a lot of questions. I have one to start with.

Earlier you said that there were a number of friends. You spoke with former Minister Fortier's spin doctor, Mr. Gagnon. Who else did you speak with in preparing for this meeting? You said there were a number of friends; those were your words.

• (1020)

**Mr. Bernard Côté:** Mr. Pichet.

**Hon. Denis Coderre:** Who?

**Mr. Bernard Côté:** Hubert Pichet.

**Hon. Denis Coderre:** Oh, you spoke to Hubert Pichet, who still works for Pierre-Claude Nolin.

**Mr. Bernard Côté:** Who works for Senator Nolin, yes.

**Hon. Denis Coderre:** What did he tell you, Mr. Pichet?

**Mr. Bernard Côté:** He told me to... I asked him—

**Hon. Denis Coderre:** To be careful not to say too much?

**Mr. Bernard Côté:** No, I asked him what the committee procedure was. I don't know the committee's operating rules.

**Hon. Denis Coderre:** If you spoke to Mr. Gagnon, who is director of communications, and who has come here on a number of occasions... Minister Fortier has always agreed to come and meet the committees; he knows how it works. Why did you need to speak to Hubert Pichet, when we know that, like you, he's a friend of Gilles Varin and that he went to eat at the Mas des Oliviers, the place where you don't remember how the party was organized.

**Mr. Bernard Côté:** Mr. Pichet has also been one of my personal friends for 30 years.

**Hon. Denis Coderre:** Did he tell you to be careful? Did he use the words "be careful"?

**Mr. Bernard Côté:** I would say that, when summoned to testify in an environment such as this, everyone will tell you "be careful".

**Hon. Denis Coderre:** To be careful what you say?

**Mr. Bernard Côté:** Yes. That doesn't mean to lie.

**Hon. Denis Coderre:** I didn't say that. Why are you talking about lying? Why are you talking to me about lies?

**Mr. Bernard Côté:** I believe that's somewhat what you're insinuating.

**Hon. Denis Coderre:** Not at all. I can understand your memory lapses, for example.

Is that what it is, Mr. Côté? You were told not to say everything because, in any case, this isn't an investigation and the less you say, the better. That's what you were told to do?

**Mr. Bernard Côté:** I was told that we would discuss a topic. I made my opening statement under oath. It concerned that topic, and that's it. I can't make up answers.

**Hon. Denis Coderre:** You can give us some, however.

**The Chair:** Thank you, Mr. Coderre.

Thank you, Mr. Côté.

Mr. Lemay, you have five minutes.

**Mr. Marc Lemay (Abitibi—Témiscamingue, BQ):** Good morning, Mr. Côté. Are things going well? No? Things aren't going well? Wait, things could go even—

**Mr. Bernard Côté:** I've seen better days and more pleasant places.

**Mr. Marc Lemay:** How old are you, sir?

**Mr. Bernard Côté:** I'm 49 years old.

**Mr. Marc Lemay:** You suffer from no illness?

[*English*]

**The Chair:** Mr. Lemay, we are going away off the edge here.

[*Translation*]

**Mr. Marc Lemay:** Wait a minute.

**Mr. Bernard Côté:** I have memory problems.

**Mr. Marc Lemay:** That's it. Listen to me, Mr. Chairman. Watch me go and tell our colleagues to calm down.

So, sir, you suffer from memory problems.

**Mr. Bernard Côté:** Of course not.

**Mr. Marc Lemay:** How long have you suffered from memory problems?

**Mr. Bernard Côté:** I don't have any memory problems.

**Mr. Marc Lemay:** You don't have any memory problems?

**Mr. Bernard Côté:** No.

**Mr. Marc Lemay:** You're not taking any medication for memory problems?

**Mr. Bernard Côté:** No.

**Mr. Marc Lemay:** Who prepared—

**Mr. Bernard Côté:** I don't take any medication at all.

**Mr. Marc Lemay:** So you're in good health. That's perfect.

On what date did the luncheon take place?

**Mr. Bernard Côté:** I said this earlier: I don't remember.

**Mr. Marc Lemay:** What was the date?

**Mr. Bernard Côté:** I don't remember.

**Mr. Marc Lemay:** Had you previously gone to the Mas des Oliviers restaurant?

**Mr. Bernard Côté:** Yes.

**Mr. Marc Lemay:** How many times?

**Mr. Bernard Côté:** I don't know.

**Mr. Marc Lemay:** How many times? You don't remember? Very well.

I also imagine you don't know Mr. Varin.

**Mr. Bernard Côté:** Yes, I know Mr. Varin.

**Mr. Marc Lemay:** Was he at the Mas des Oliviers restaurant?

**Mr. Bernard Côté:** Mr. Varin—

**Mr. Marc Lemay:** He's there regularly.

**Mr. Bernard Côté:** Mr. Varin was there every time I went to the Mas des Oliviers restaurant.

**Mr. Marc Lemay:** Who paid the bill?

**Mr. Bernard Côté:** What bill?

**Mr. Marc Lemay:** The lunch bill.

**Mr. Bernard Côté:** There was lunch?

**Mr. Marc Lemay:** Didn't you eat with Mr. Sauvé?

**Mr. Bernard Côté:** I saw Mr. Sauvé in a public place. As I told you... Did I have lunch with him? I saw him at that restaurant—

**Mr. Marc Lemay:** Wait a minute. Were you telling me that you went to the Mas des Oliviers restaurant but that you ate nothing there?

**Mr. Bernard Côté:** That's not what I'm saying.

**Mr. Marc Lemay:** You don't remember?

**Mr. Bernard Côté:** No, no, that's not what I'm telling you.

**Mr. Marc Lemay:** What are you telling me?

**Mr. Bernard Côté:** I went to the Mas des Oliviers restaurant and I saw Mr. Sauvé there.

**Mr. Marc Lemay:** Did you eat there?

**Mr. Bernard Côté:** If I went to that restaurant, I believe I ate there.

**Mr. Marc Lemay:** That's perfect. Who paid the bill?

**The Chair:** Pardon me, Mr. Lemay, but Mr. Holder has a point of order.

**Mr. Marc Lemay:** Again?

[English]

**Mr. Ed Holder:** It is only because it seems to me that when one goes to a restaurant, one may or may not eat, but constantly asking about whether the person has eaten when you're trying to get to a point of an actual question related to what this is intended to be.... I just ask for relevance, Chair, and to keep it on that point.

**The Chair:** Mr. Coderre, the next point of order.

[Translation]

**Hon. Denis Coderre:** Not only is the question relevant, but when an unregistered individual meets a public office holder and engages in lobbying, a violation of the act may be committed.

[English]

It's relevant, but I'm hoping to have finally a question.

**The Chair:** Neither of you have a point of order. Both are points of debate.

Mr. Lemay, you have two minutes and 49 seconds left.

• (1025)

[Translation]

**Mr. Marc Lemay:** You're lucky: there are only two minutes left.

I want to know who paid the bill.

**Mr. Bernard Côté:** As I said, I don't remember. I also don't remember the date, and I don't remember who organized the lunch.

**Mr. Marc Lemay:** Did you speak to Mr. Sauvé during that lunch or that meeting?

**Mr. Bernard Côté:** I probably said hello to him.

**Mr. Marc Lemay:** All right. Did you talk to him about anything else?

**Mr. Bernard Côté:** No.

**Mr. Marc Lemay:** That's perfect.

**Mr. Bernard Côté:** In fact—

**Mr. Marc Lemay:** Do you have your text to hand?

**Mr. Bernard Côté:** Yes, it's here.

**Mr. Marc Lemay:** When did you prepare it?

**Mr. Bernard Côté:** Yesterday.

**Mr. Marc Lemay:** At what time?

**Mr. Bernard Côté:** Yesterday, at what time?

**Mr. Marc Lemay:** Where?

**Mr. Bernard Côté:** No, perhaps—

**Mr. Marc Lemay:** At what time and in what place was that text prepared?

**Mr. Bernard Côté:** Perhaps it wasn't yesterday, but Tuesday.

**Mr. Marc Lemay:** Tuesday? So the day before yesterday. Where?

**Mr. Bernard Côté:** In my office, at home.

**Mr. Marc Lemay:** At your home?

**Mr. Bernard Côté:** At home. I live in Montreal.

**Mr. Marc Lemay:** Did you use the telephone, email, a BlackBerry?

**Mr. Bernard Côté:** It's on my computer.

**Mr. Marc Lemay:** Was your text sent to someone for approval purposes?

**Mr. Bernard Côté:** It was sent to—

**Mr. Marc Lemay:** To whom?

**Mr. Bernard Côté:** To the friends I referred to earlier.

**Mr. Marc Lemay:** To whom? I want their names, N-A-M-E-S.

**Mr. Bernard Côté:** I mentioned two earlier.

**Mr. Marc Lemay:** Repeat them to me.

**Mr. Bernard Côté:** Do you have memory problems as well?

**Mr. Marc Lemay:** No. Repeat them to me, sir. I'm asking the questions.

**Mr. Bernard Côté:** Jacques Gagnon and Hubert Pichet.

**Mr. Marc Lemay:** Who does Jacques Gagnon work for?

**Mr. Bernard Côté:** I said that earlier. He's a consultant. He works for himself.

**Mr. Marc Lemay:** For himself?

**Mr. Bernard Côté:** It's called JCG Communications.

**Mr. Marc Lemay:** Does that gentleman have contracts with the federal government, sir?

**Mr. Bernard Côté:** No.

**Mr. Marc Lemay:** He has no contracts? Are you sure of that?

**Mr. Bernard Côté:** I'm sure of that.

**Mr. Marc Lemay:** Does that gentleman have contracts with the Conservative Party in any one of the Quebec constituencies?

**Mr. Bernard Côté:** No.

**Mr. Marc Lemay:** None?

**Mr. Bernard Côté:** None.

**Mr. Marc Lemay:** You've known him for how many years?

**Mr. Bernard Côté:** Mr. Gagnon?

**Mr. Marc Lemay:** Yes.

**Mr. Bernard Côté:** Since I started with the Conservative Party. He was there as well.

**Mr. Marc Lemay:** Were you dismissed from Mr. Fortier's office?

**Mr. Bernard Côté:** I submitted my resignation.

**Mr. Marc Lemay:** You submitted your resignation, or someone helped you submit it?

**Mr. Bernard Côté:** I submitted my resignation.

**Mr. Marc Lemay:** On what date?

**Mr. Bernard Côté:** In June 2008.

**Mr. Marc Lemay:** Was that in Mr. Fortier's presence or did you submit it by mail? How did you do it?

**Mr. Bernard Côté:** By telephone.

**Mr. Marc Lemay:** There's no written letter?

**Mr. Bernard Côté:** Yes, there's a written letter.

**Mr. Marc Lemay:** Which was sent to whom?

**Mr. Bernard Côté:** To the chief of staff.

**Mr. Marc Lemay:** Who was?

**Mr. Bernard Côté:** Claude Alain.

**Mr. Marc Lemay:** That's funny, sir. I like you because you have a very good memory, except for one event that was at the restaurant with Mr. Sauvé. I noted that you had a very good memory. It's very selective, sir, enormously.

I believe we're going to invite you back.

Thank you very much, sir. Good day.

**The Chair:** Thank you, Mr. Lemay and Mr. Côté.

[*English*]

Mr. Holder, you have five minutes.

**Mr. Ed Holder:** Thank you, Chair.

I've almost forgotten what the topic is, but let's see if we can bring it back to renovations on the West Block and any involvement, Monsieur Côté, that you may have had.

First, thank you for attending as a guest of this committee.

My questions are on a couple of things. I'm just trying to get a sense.

But first, I'm really glad you're in good health. It seemed to be a preoccupation of some.

What's of more concern to me is the truth, and the committee should always and ever be about truth. I'd like to remind all committee members that Mr. Côté was asked to be sworn in and did so quite voluntarily.

Mr. Côté, may I ask you how many times you have had to come in front of committees in the past?

**Mr. Bernard Côté:** Never.

**Mr. Ed Holder:** Never. So if this is the very first time you've come in front of a committee, I would find, from my standpoint, that as a new experience it might potentially be a little bit intimidating. Is that fair to say?

**Mr. Bernard Côté:** Yes, it's fair to say.

**Mr. Ed Holder:** And frankly, you might reflect after this meeting and sense that this was exceptionally so, based on some of the rapid-fire questioning.

But again, I want to come back to points of truth. Does it seem reasonable—I guess to any committee member, but since you're our witness today, I'll ask you—that if you came to a committee for the first time, you might ask for a little bit of guidance about coming to a committee?

**Mr. Bernard Côté:** Do you mean how it works, what the procedure is, what the rules are? You try to know in advance what it is.

**Mr. Ed Holder:** That feels fair to me, but let's get to the thing that probably matters most to all of us. Did any of the people you sought to speak with prior to this counsel you to tell untruths?

**Mr. Bernard Côté:** No.

**Mr. Ed Holder:** Did any of them counsel you to change the facts as you know them?

**Mr. Bernard Côté:** No.

**Mr. Ed Holder:** Did any of them counsel you to lie?

**Mr. Bernard Côté:** No.

**Mr. Ed Holder:** Have you lied today?

**Mr. Bernard Côté:** No.

**Mr. Ed Holder:** So when you came back today and said that you met one time with Mr. Sauvé, was it two times or was it one time, sir?

• (1030)

**Mr. Bernard Côté:** It was one time.

**Mr. Ed Holder:** And in all of that, as a result of your meeting with him, was there any connection that you are absolutely aware of between that meeting with him and his getting that contract?

**Mr. Bernard Côté:** There was no connection whatsoever.

**Mr. Ed Holder:** And are you lying right now?

**Mr. Bernard Côté:** No.

**Mr. Ed Holder:** Then I come back to you, Chair, and I say that these are the relevant kinds of questions that I think need to be asked, not how many meals necessarily....

And by the way, have you eaten at the parliamentary restaurant before?

**Mr. Bernard Côté:** I think I did once.

**Mr. Ed Holder:** At least once?

**Mr. Bernard Côté:** Yes.

**Mr. Ed Holder:** And sometimes you have paid, and maybe—

**The Chair:** We have a point of order.

Excuse me, Mr. Holder.

**Mr. Pat Martin:** Mr. Chairman, I think it's an insult to the witness for Mr. Holder to ask him directly, "Are you lying right now?", because it comes from the supposition that he may be lying, and we know that the man was sworn in, in front of this committee.

So I would like Mr. Holder to withdraw that question. It's insulting to our witness.

**The Chair:** Insults to the witnesses are not points of order; however, there is an issue of witness credibility here. It has been brought up by other members, and I think Mr. Holder is well within his rights to try to reassert the credibility of the witness. Once you put credibility in play, it's in play for everyone.

Mr. Holder, you have two minutes and 20 seconds.

**Mr. Ed Holder:** Thank you very much, Chair, and thank you for your response to that. I think this really is about that. What we're all trying to search for, as committee members on all sides, is to understand exactly what happened when, what is true, and what isn't true.

The fact that you've come here and have given your testimony, the fact that some of these things happened years ago and you don't remember...well, perhaps that's like life.

But let me ask you what you might well remember, and that is, any other communications. It's interesting that you had one meeting

with Mr. Sauvé. Did you have any other communications with Mr. Sauvé after that luncheon?

**Mr. Bernard Côté:** No.

**Mr. Ed Holder:** Did you have any written communication with Mr. Sauvé?

**Mr. Bernard Côté:** No.

**Mr. Ed Holder:** Any oral communication, like phone communication, with him?

**Mr. Bernard Côté:** None that I remember.

**Mr. Ed Holder:** What about e-mail communication?

**Mr. Bernard Côté:** Neither.

**Mr. Ed Holder:** Fax?

**Mr. Bernard Côté:** No.

**Mr. Ed Holder:** I think that's the relevant piece, as we keep trying to come back to what the point of this committee is about, which is what involvement you may or may not have had as it relates to dealings with Mr. Sauvé and any relationship you've had in relation to the West Block.

Is there anything you want to add, notwithstanding the questions from all sides here, that you haven't had an opportunity to respond to?

**Mr. Bernard Côté:** I'll go back to my opening statement. Everything is there. All the facts that are related to the matter are in my opening statement.

**Mr. Ed Holder:** I think that's been very clear. I want to thank you for that, Monsieur Côté.

If I'm not out of time, I'll give it back to Mr. Warkentin. I defer to you, sir.

**The Chair:** Are you going to give me a minute?

**Mr. Ed Holder:** I'll give it to Mr. Warkentin, if there's time.

**The Chair:** Oh, Mr. Warkentin, yes.

**Mr. Chris Warkentin:** There is just one other thing that I think is important. Mr. Holder has asked if you've been in communication with Mr. Sauvé. But my question is, have you ever had correspondence with Public Works officials as it relates to the parliamentary precinct?

**Mr. Bernard Côté:** No.

**Mr. Chris Warkentin:** Have you been in contact with Public Works officials relating to any aspect of the West Block renovation project?

**Mr. Bernard Côté:** No.

**Mr. Chris Warkentin:** Have you been in touch with any other department as it relates to the renovation of the West Block?

**Mr. Bernard Côté:** No.

**Mr. Chris Warkentin:** I've run out of questions.

**The Chair:** Thank you, Mr. Warkentin.

Mr. Coderre, five minutes.



[Translation]

**Hon. Denis Coderre:** Mr. Chairman, what troubles me is the following scenario. There is a person named Bernard Côté, who goes out with a girl called Julie Couillard. That girl is close to the bikers, the "biker guys". There is a company called LM Sauvé, which has been infiltrated by the Hells Angels.

I'm not judging you. You went out with Ms. Couillard, you lost your job, you were dismissed, or you submitted your resignation because of that. It seems to me there are starting to be connections between the infiltration of certain contracting firms and the Hells Angels' situation, and that's troubling me. This can then become a scheme so that organized crime can launder money. Our role is to ask questions in order to protect not only our taxpayers, but the institution as well.

When you saw that Mr. Sauvé's company had been infiltrated by the Hells Angels, what went through your mind? Did you wonder what that affair was about? When did you know that Mr. Sauvé's company had been infiltrated by the Hells Angels?

• (1035)

**Mr. Bernard Côté:** I suppose it was at the same time as you, when it was reported on TV.

**Hon. Denis Coderre:** Did that trouble you?

**Mr. Bernard Côté:** Well, did that trouble me? My answer is yes, like any—

**Hon. Denis Coderre:** You understand that, either—

**Mr. Bernard Côté:** —like any Quebec taxpayer—

**Hon. Denis Coderre:** Yes, yes, I agree.

**Mr. Bernard Côté:** —who sees those kinds of things; it's disturbing.

**Hon. Denis Coderre:** Then it never went through...?

**Mr. Bernard Côté:** I'm a resident of the city of Montreal. LM Sauvé had won the City Hall renovation contract. When you see things like that, it's indeed disturbing. I pay taxes in Montreal; that troubles me.

**Hon. Denis Coderre:** You don't think you fell into a trap when you met Mr. Sauvé?

**Mr. Bernard Côté:** No.

**Hon. Denis Coderre:** You knew the company, but you didn't know it was having problems?

**Mr. Bernard Côté:** Not at all.

**Hon. Denis Coderre:** You said you spoke to a number of friends? Did you speak to anyone other than Mr. Pichet and Mr. Gagnon?

**Mr. Bernard Côté:** I spoke to another friend named Patrick Doyon.

**Hon. Denis Coderre:** He talked to you about communications as well?

**Mr. Bernard Côté:** Yes, he's a communications guy.

**Hon. Denis Coderre:** When you said you met Mr. Sauvé, I understand you were already in the restaurant and someone brought him to you?

**Mr. Bernard Côté:** I didn't say that. As I said, I don't remember the exact circumstances. There was a discussion with him, yes, at the Mas des Oliviers.

**Hon. Denis Coderre:** Did you meet him by chance or did you have a meal together, separately? Did someone call you and tell you he wanted to eat with you, or were you in the restaurant when you saw him?

**Mr. Bernard Côté:** As I told you, I don't remember the circumstances. I repeat what I said in response to your first questions. I'm going to give you the same answer again: I don't remember through whom, I don't remember how, but I met him at the Mas des Oliviers, and we had a discussion during which he told me about his concerns regarding the contract market in Ottawa.

**Hon. Denis Coderre:** Did Mr. Sauvé talk to you about the City Hall contracts?

**Mr. Bernard Côté:** No.

**Hon. Denis Coderre:** Did any construction people, apart from Mr. Sauvé, come and see you to talk about renovation contracts?

**Mr. Bernard Côté:** No.

**Hon. Denis Coderre:** You never talked—

**Mr. Bernard Côté:** No.

**Hon. Denis Coderre:** I'm going to hand the floor over to Mr. Regan.

[English]

**Hon. Geoff Regan:** Was the minister's office involved in final approval of the contract for the restoration of the north tower of the West Block?

**Mr. Bernard Côté:** I don't know.

**Hon. Geoff Regan:** You don't know.

Was it typical that the minister's office would sign off on those kinds of major contracts?

**Mr. Bernard Côté:** I don't know what the rules are for the attribution of contracts.

**Hon. Geoff Regan:** You mentioned that you discussed your testimony before this meeting with Mr. Gagnon and Mr. Pichet. Was there anyone else?

**Mr. Bernard Côté:** I just answered the question to Mr. Coderre.

**Hon. Geoff Regan:** I'm sorry, I missed that.

There's no one else you discussed that contract with?

**Mr. Bernard Côté:** No.

**Hon. Geoff Regan:** Okay, thank you.

Mr. Coderre.

[Translation]

**Hon. Denis Coderre:** I'm going to go back to the fund-raising events. Did you organize a benefit event at Magnan Restaurant et Taverne with Minister Paradis and some senators?

**Mr. Bernard Côté:** As I told you, I'm a financial officer for the constituency of Jeanne-Le Ber. We had a benefit event that year, on October 14, 2010. Last year, we had one in September, on September 16 or 24, 2009.

**Hon. Denis Coderre:** What I find extraordinary, Mr. Côté, is that you remember the dates of your Conservative parties, but when I talk to you about a lunch with Paul Sauvé, "there's no service at the number you have reached."

**Mr. Bernard Côté:** You're a Liberal member from the Montreal area?

**Hon. Denis Coderre:** Yes.

**Mr. Bernard Côté:** We don't have Conservative parties every day. So we remember the dates a little more clearly. Especially when I'm the one who signs the receipts for income tax purposes, I find it quite easy to remember the dates.

**Hon. Denis Coderre:** That's because you signed a number of them.

[*English*]

**The Chair:** Thank you, Mr. Coderre. Thank you, Mr. Côté.

I'm hoping to leave five minutes for committee business at the end.

The Conservative Party has about two minutes for a question.

**Mr. Chris Warkentin:** Well, Mr. Côté, it seems that the opposition are running out of questions. It's clear when they start asking about dates of the relevant points that it's the end of their questioning.

It's interesting. I don't recall the last time I sat down with my Mom for dinner. I can assure you it's not that long ago, but I couldn't tell you what I ate.

I do recall the date of my wedding. It was six years ago, December 28. The reason I recall it is because there are certain dates—

**The Chair:** Mr. Warkentin, excuse me. Mr. Regan appears to have a point of order, possibly relevant to the date of your wedding.

• (1040)

**Hon. Geoff Regan:** No, that's not it. If Mr. Warkentin is out of questions, we've got lots more.

**The Chair:** Thanks for that information, Mr. Regan.

Mr. Warkentin.

**Mr. Chris Warkentin:** I'm suggesting that oftentimes we have dates that are more relevant to us than others and the planning of certain events are not necessarily as important.

I think it's important that we point out as well that what we heard from the Liberals this morning is that they've flipped on their friend, Mr. Sauvé. In the past they've courted him as a possible Liberal candidate, but what we heard today is that they're now calling him attached to Hells Angels.

**The Chair:** Mr. Coderre apparently has a point of order.

[*Translation*]

**Hon. Denis Coderre:** Mr. Sauvé isn't a friend and didn't collect \$15,000 for us. He didn't collect any money for us; he collected \$15,000 for the Conservatives. He must be your friend as well.

[*English*]

**The Chair:** That's not a point of order. Thank you.

**Mr. Chris Warkentin:** I think it was absolutely clear from the testimony of Mr. Sauvé that he has donated significant amounts of money to the Liberal Party and that he does desire to run for the Liberal Party. We hadn't heard the Liberal Party disown him until today, so that was an interesting point as well.

But all of these facts are peripheral to the issue at hand. The issue at hand is whether there's been undue influence or not, as it relates to the West Block renovation project—if there was political influence.

Your testimony is consistent with the testimony we've heard from the officials from Public Works, from every person who's come before us, with the exception of one. That individual, Mr. Sauvé...his testimony has lacked credibility. Everybody has said his testimony was not true. Everybody that's come before us has said it's not consistent with the truth.

Now we find that the only people who are referencing his testimony today are saying he's aligned with Hells Angels. I think the only person who has refuted any of the facts is Mr. Sauvé, and now even the opposition are claiming he's attached to organized crime.

**The Chair:** Thank you, Mr. Warkentin.

On behalf of the committee, I would like to thank Mr. Côté for his appearance here this morning.

I'm going to suspend for a moment while we go in camera for committee business.

[*Proceedings continue in camera*]







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